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ABSTRACT

The book provides a summary of relevant federal laws on the legal rights and benefits of mentally and physically disabled citizens. Various laws are organized into 11 subject areas: education, employment, health, housing, income maintenance, nutrition, rights, social services, transportation, vocational rehabilitation, and miscellaneous. Among the acts covered are the Education of the Handicapped Act, Comprehensive Employment and Training Act, Social Security Act, Housing Act of 1959, National School Lunch Act, Urban Mass Transportation Act, Rehabilitation Act of 1973, and Internal Revenue Code. Provisions of each act are described in nontechnical language, using a common format. After providing a brief overview of the law's basic purpose and structure, the major programs authorized under the statute which affect handicapped persons are described. Appendixes contain a legislative history of key statutes relating to the handicapped and a table of programs. (SB)

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# Summary of Existing Legislation Relating to the Handicapped

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## INTRODUCTION

While the first Federal laws assisting disabled citizens date back to the early years of the Republic, prior to World War II the statute books contained relatively few acts authorizing special benefits for handicapped persons, other than disabled war veterans. However, in recent years—particularly since the early 1960's—there has been a veritable avalanche of Federal legislation affecting handicapped persons.

While these statutes have been organized and codified in the United States Code for purposes of legal references, until now there has been no reliable, comprehensive summary of relevant Federal laws available to individuals concerned with the legal rights and benefits of mentally and physically disabled citizens. This publication is designed to fulfill that purpose.

Since the 88th Congress (1963-64), similar summaries of newly enacted and amended laws have been published biennially by the Office for Handicapped Individuals (and its predecessor agencies) to provide the interested public with a basic understanding of actions taken by Congress which affect handicapped children and adults. However, these past summaries have provided only "snapshots" of legislation passed over a two-year period, without offering a complete picture of the existing statutory framework. This publication attempts to provide, under one cover, a summary of nearly sixty key Federal laws affecting handicapped persons.

The various laws are organized into general subject areas. The provisions of each separate act are described in non-technical language, using a common format. After providing a brief overview of the law's basic purpose and structure, the major programs authorized under the statute which affect handicapped persons are described. We conclude with an encapsulated legislative history of the law, highlighting major milestones in the development of the statute as it impacts on mentally and/or physically disabled persons.

Most statutes are presented under the single subject category to which they apply (e.g., the Public Health Service Act appears under the section on Health; and the Education of the Handicapped Act appears under the section on Education). However, the Social Security Act, which authorizes health, income maintenance and social services programs under its various titles, has been divided among the appropriate sections and pertinent titles are treated separately (with cross-references, as indicated). In addition, the section on Rights describes selected provisions of various statutes that enunciate and protect certain basic rights of handicapped citizens. Because of the current emphasis on rights, we decided to treat these provisions in a separate section of the report, with cross-references to other sections of the report, so the reader may refer to the more detailed discussion of other relevant provisions of the acts.

Minor legislation affecting handicapped persons is summarized in an abridged format, including a brief discussion of the law's importance and its legislative origins.

Following the descriptions of each major program affecting handicapped persons under a particular act, there is a list of reference documents the reader may wish to consult for further information. The sources cited are: (1) the public law numbers of the act and/or its pertinent amendments; (2) the United States Code reference (abbreviated as U.S.C.); and (3) the *Catalog of Federal Domestic Assistance* (abbreviated as C.F.D.A.) number. These source documents are available in most large public libraries, law school libraries, and certain government offices for individuals desiring to pursue in-depth research.

This publication is not intended to be an exhaustive analysis of all Federal statutes affecting handicapped persons. Nor is the material designed to provide legal interpretations of the relevant statutes. Persons interested in the precise language of the law should refer to the primary source documents cited in the report.

Only those laws containing explicit provisions relating to physically and/or mentally handicapped persons are summarized in this report. The one major exception relates to laws authorizing benefits for disabled veterans. Since information and material on such statutes are generally available through the Veterans Administration, we decided not to include information on laws aimed exclusively at this population.

Furthermore, readers should be aware of the fact that information contained in this report is restricted to the provisions of the Federal laws discussed. No material is included on regulatory and other administrative policies implementing such statutory provisions.

Additional information on actual program operations is usually available in the *Catalog of Federal Domestic Assistance*. This is one reason for including the appropriate Catalog reference number at the end of each program summary. Annotated versions of the United States Code also provide cross references to the *Code of Federal Regulations*, which is the primary source of information on program operating policies and procedures.

Each program description includes a FY 1980 appropriations figure. These figures may not be exact, due to revisions made throughout the fiscal year and, therefore, should be viewed only as general indicators of a program's scope. It is also important to note that the appropriations figures represent funding for the program as a whole; the portion of expenditures directly benefiting handicapped persons may be only a small fraction of the total dollars appropriated (e.g., funds appropriated for the Food Stamp Program in FY 1980 totaled over $7 billion but only a tiny portion of that amount will be used on behalf of eligible handicapped recipients).

It is our hope that the information included in this summary report will prove helpful to Federal and state policymakers, professional workers, program administrators, handicapped consumers, students and other individuals with an interest in Federal legislation that directly impacts on handicapped persons. Since current plans call for updating this publication periodically, the Office for Handicapped Individuals would welcome reader input regarding the types of information which should be added, deleted or revised in future editions of the publication.

Abbreviations used in this text:

| | |
|---|---|
| C.F.D.A. | *Catalog of Federal Domestic Assistance* |
| F.Y. | Fiscal Year |
| H.H.S. | Department of Health and Human Services (formerly HEW) |
| P.L. | Public Law |
| U.S.C. | United States Code |

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# EDUCATION

## ELEMENTARY AND SECONDARY EDUCATION ACT

### A. Overview

The Elementary and Secondary Education Act is the primary source of Federal aid to the Nation's public school systems. Originally enacted in 1965, Title I of the Act authorizes federal aid to support supplementary educational services to children from low-income families, including handicapped youngsters, in 90 percent of the school districts across the country. Title I funds also are available to meet the special educational needs of handicapped children in state operated and supported schools for the handicapped. Other titles of the Act establish a wide variety of research, training, demonstration and other grant authorities, many of which offer at least tangential benefits to handicapped children.

The Elementary and Secondary Education Act of 1965, as amended, is composed of ten titles. The various programs included under this omnibus statute touch on practically every aspect of educating children at the elementary and secondary school levels. However, the programs most directly relevant to handicapped children are contained in Titles I and IV of the Act.

### B. Major Programs Affecting the Handicapped

1. *State Operated and Supported Schools.* The purpose of the program authorized under Part B, Title I of the Act is to provide comprehensive educational programs for handicapped children who are enrolled in state operated or supported schools. Part B project funds may be used to support educational and related services, including: instruction, physical education, mobility training, counseling, prevocational and vocational education, training of teachers and teacher aides, and constructing and equipping state operated or supported schools. However, funds may not be used for construction and installation of equipment in nonpublic schools, nonessential

construction or remodeling, or projects predominantly for persons over age 20.

Grants are made to state agencies responsible for operating or supporting schools for the handicapped and to local educational agencies on behalf of children who were formerly enrolled in state schools. For purposes of the program, the term "handicapped children" is defined to include youngsters who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically handicapped (or those with other health impairments), deaf-blind, or those with a specific learning disability.

A state agency's allocation is determined by multiplying the number of eligible handicapped children (21 years of age or under) times 40 percent of the state's average per capita expenditure on behalf of all children enrolled in public elementary and secondary schools or the national average per pupil expenditure, whichever is higher. Since Part B allocations are calculated before other Title I grants are awarded, state educational agencies generally are assured of receiving their full entitlements on behalf of eligible youngsters. Fiscal Year 1980 appropriations: $143 million.

References: Part B, Title I, Elementary and Secondary Education Act, as amended. P.L. 89-10, P.L. 89-313, P.L. 90-247, P.L. 91-230, P.L. 93-380, and P.L. 95-561. U.S. Code: 20 U.S.C. 241c(a) (5). C.F.D.A.: 13.427.

2. *Improvement in Local Educational Practices.* Title IV grants are made to state educational agencies. These funds may be used for the improvement of local educational practices, including:

- the development and demonstration of activities addressing serious educational problems, including the need for effective programs for: (a) children with special needs, such as educationally deprived, gifted and talented, and handicapped children; and (b) children in nonpublic schools;
- the improvement of educational programs in areas with large concentrations of low-income families;
- activities to improve achievement in basic skills,
- activities to encourage parental participation;
- the development of diagnostic methods for assessing the achievement of children in public and nonpublic schools;
- professional development programs for teachers, administrators and other instructional personnel;

- early childhood and family education programs;
- the expansion of education beyond the school building; and
- innovations in compensatory education.

Fifteen percent of all formula grants appropriated under Title IV of the Act must be expended on special programs or projects for the education of handicapped children. FY 1980 appropriations: $197.4 million.

References: Title IV, Elementary and Secondary Education Act of 1965, as amended. P.L. 89-10, P.L. 89-750, P.L. 90-247, P.L. 91-230 and P.L. 95-561. U.S. Code: 20 U.S.C. 1831. C.F.D.A.: 13.571.

**C. Legislative History**

The Elementary and Secondary Education Act of 1965 (P.L. 89-10) represented the first major legislative commitment made by the Federal Government to the improvement of elementary and secondary education. The core of the Act, Title I, was a multibillion dollar program of aid to states for distribution to local school districts having children from low-income families who were considered "educationally deprived." Local school districts receiving funds were required to provide supplementary services to meet the special needs of these children. In the legislative history of the Act, Congress defined "educationally disadvantaged children" to include handicapped youngsters.

The Act was signed into law by President Johnson in the spring of 1965. That same fall, Title I of the Act was amended (by P.L. 89-313) to authorize aid to state agencies operating or supporting schools for handicapped children. Initially, such state agencies were entitled to receive aid calculated on the basis of the number of eligible handicapped children multiplied by the state's average per capita expenditure on behalf of all children enrolled in elementary and secondary schools.

Full funding for state operated and supported schools for the handicapped was mandated under the 1967 amendments to the Act (P.L. 90-247). This same set of amendments directed the U.S. Office of Education to calculate a state agency's Title I allocation on either the state or the national average per pupil expenditure for elementary education, whichever was higher.

Amendments in 1969 (P.L. 91-230) advanced appropriations for all ESEA programs. The purpose of this step was to synchronize the federal funding cycle more closely to the school year.

The Education Amendments of 1974 (P.L. 93-380) included major revisions in the Title I formula for distributing funds to state-operated and supported schools. The per capita support level was reduced from 50 to 40 percent of the average per pupil costs of educating a child within the state (or in the nation, if higher). In addition, henceforth, no state or local school agency would be permitted to receive less than 80 percent or more than 120 percent of the national average per pupil expenditure.

The revised formula was intended to equalize per capita federal aid among states and local school districts, incorporate a fairer poverty standard, and account for population shifts since the 1960 census. The overall effect was to give more aid to southern and rural areas and less to large cities and relatively wealthy states (by placing reduced emphasis in the funding formula on the number of children in AFDC families within the state).

The 1974 amendments also added a provision which permitted a state agency, for purposes of determining its Title I, ESEA entitlements, to continue to count a handicapped child when responsibility for the child's education was transferred from a state-operated or supported facility to a local school district. However, the legislation required that, in such cases, funds received had to be forwarded to the local educational agency actually providing services to the particular handicapped child.

In order to avoid cutbacks in aid to state operated and supported schools for handicapped children, which would have been mandated under the new Title I formula, P.L. 93-380 included language which protected state agencies from receiving less in FY 1975 and subsequent fiscal years than they received in FY 1974. Without this provision, Title I aid to the handicapped would have been reduced by $24 million beginning in FY 1975.

Amendments to the Act in 1975 (P.L. 95-561) made several minor changes in the Title I program of aid to state operated and supported schools for the handicapped. The basic purpose of these amendments was to make the program's statutory authority more consistent with the Education of the Handicapped Act (described on page 5), as amended in 1975. The 1978 revisions incorporated the following changes: (a) the definition of handicapped children was deleted and replaced with a reference to the definition under the Education of the Handicapped Act; (b) a technical revision was made in the language of Section 146 (formerly 121c) to clarify the fact that limitations on the use of Title I funds apply to both the state administering agency and other agencies or institutions receiving funds

under this authority; (c) the existing reference to using funds to acquire equipment and construct school facilities was eliminated; and (d) programs assisted through Title I funds were required to be consistent with the provisions of Part B of the Education of the Handicapped Act.

The Title IV (Part C) program for improving local educational practices was initially authorized as a series of separate programs for innovation and development of special services. Under the 1966 amendments to the Act (P.L. 89-750), these programs were consolidated under a single title (then Title III). The 1967 amendments to ESEA (P.L. 90-247) required states to use at least 15 percent of their Title III funds for special programs and projects designed to educate handicapped children. In 1970, Title III was further revised (P.L. 91-230) and, in 1978, it was redesignated as Title IV, Part C of the Act (P.L. 95-561); both revisions retained the 15 percent set-aside for handicapped education projects.

## EDUCATION OF THE HANDICAPPED ACT

### A. Overview

The Education of the Handicapped Act is a primary source of Federal aid to state and local school systems for instructional and support services to handicapped children. The centerpiece of the Act is a state grant-in-aid program, authorized under Part B, which requires participating states to furnish all handicapped children with a free, appropriate public education in the least restrictive setting.

In addition to formula grants to the states, the legislation authorizes an array of discretionary grant programs aimed at stimulating improvements in educational services for handicapped children. Included are grant programs designed to promote the recruitment and training of special education personnel, the conduct of research and demonstration projects, and the development and dissemination of instructional materials.

The Education of the Handicapped Act, as amended, is composed of six parts. Part A outlines Congressional findings and sets forth the primary aim of the Act: "to assure that all handicapped children have available to them a free appropriate public education which emphasizes special education and related services designed to meet their unique needs." Part A also includes: (1) definitions of terms; (2) a provision requiring the establishment of a Bureau of Education for the Handicapped in the Office of Education,

headed by a Deputy Commissioner;[1] (3) restrictions governing the acquisition of equipment and construction of necessary facilities; and (4) authority for grants to remove architectural barriers.

**B. Major Programs Affecting the Handicapped**

1. *Basic State Grants for Handicapped Education.* As noted above, Part B of the Act authorizes formula grants to the states to cover a percentage of the costs of providing special education and related services to handicapped children. The purpose of this formula grant program is to assist states in providing a "free appropriate public education" to all handicapped children in participating jurisdictions. The educational and related services supported under this program must conform to a Federally-approved state plan. As specified in the Act, a "free appropriate public education" includes: (1) special education, defined as: "specially designed instruction to meet the unique needs of a handicapped child, including classroom instruction, instruction in physical education, home instruction and instruction in hospitals and institutions"; and (2) related services, defined as: "transportation, developmental, corrective and other supportive services to assist a handicapped child to benefit from special education, including speech pathology and audiology, psychological services, physical and occupational therapy, recreation, medical and counseling services (for evaluation purposes), and early identification and assessment of handicapping conditions in children." Special education and related services are to be provided at no cost to the parents.

Part B funds are allocated among the states on the basis of a statutory formula which takes into account the relative number of handicapped children in any given state who are being furnished a free appropriate public education. The total number of children counted (the state's "child count") is multiplied times the average per pupil expenditure on behalf of all children in public elementary and secondary schools across the Nation to determine a state's entitlement.

State educational agencies are required to pass on 75 percent of their allotments to local educational agencies. FY 1980 appropriations: $804 million.

References: Part B, Education of the Handicapped Act, as amended; P.L. 89-750, P.L. 90-247, P.L. 91-230, P.L. 93-380, and P.L. 94-142. U.S. Code: 20 U.S.C. 1411. C.F.D.A.: 13.449.

[1] The Bureau has since been relocated in the Office of the Assistant Secretary for Special Education and Rehabilitative Services, as part of the newly-formed Department of Education. For details on the establishment of the new cabinet-level Department, see page 23.

2. *Preschool Incentive Grants.* Separate allotments are made to states under Part B to encourage the provision of special education and related services to preschool handicapped children, aged 3 to 5. Such funds are awarded to state educational agencies to supplement their basic Part B allotment to the extent that the state is providing a free appropriate public education for handicapped children within this age range. A state's allocation is determined by multiplying the number of children between 3 and 5 years of age who are receiving a free, appropriate public education by $300. FY 1980 appropriations: $17.5 million.

References: Part B, Education of the Handicapped Act, as amended. P.L. 94-142. U.S. Code: 20 U.S.C. 1411. C.F.D.A.: 13.449.

3. *Regional Resource Centers.* The purpose of this project grant program, authorized under Part C of the Act, is to pay all or part of the cost of establishing and/or operating regional resource centers. These centers provide advice and technical assistance to educators in an effort to improve instructional services for handicapped children. Institutions of higher education and state and local educational agencies are eligible to receive grants to establish regional resource centers. FY 1980 appropriations: $9.7 million.

References: Part C, Education of the Handicapped Act, as amended. P.L. 90-247, P.L. 91-230 and P.L. 95-49. U.S. Code. 20 U.S.C. 1421. C.F.D.A.: 13.450.

4. *Centers and Services for Deaf-Blind Children.* Project grants are awarded under Part C of the Act to public or nonprofit agencies, organizations or institutions to establish regional centers for deaf-blind children. These centers are responsible for furnishing the following: (1) comprehensive diagnostic and evaluative services; (2) a program of education, adjustment and orientation; (3) consultation services for parents, teachers and others involved in the child's welfare; (4) in service training; (5) dissemination of materials and information; and (6) construction. FY 1980 appropriations: $16 million.

References: Part C, Education of the Handicapped Act, as amended. P.L. 90-247. P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1422. C.F.D.A.: 13.445.

5. *Early Childhood Education.* This project grant program, authorized under Part C of the Act, supports experimental demonstration projects, outreach, and state implementation of preschool and early childhood projects for handicapped children, from birth to age eight. Project activities include parental participation, dissemination of information to the professional community and general public, and evaluation of the effectiveness of the project. Public agencies and

private nonprofit organizations are eligible to receive early childhood education grants. FY 1980 appropriations: $20 million.

References: Part C, Education of the Handicapped Act, as amended. P.L. 90-538, P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1423. C.F.D.A.: 13.444.

6. *Innovative Programs for Severely Handicapped Children.* The purpose of this project grant, authorized under Part C of the Act, is to support innovative approaches to: (1) improving educational and training services for severely handicapped children; (2) providing inservice training to educators and other staff working with handicapped youngsters; (3) disseminating materials and information; and (4) improving the general acceptance of the handicapped by the community, professionals and possible employers. Grants and contracts are made to public and nonprofit private agencies, organizations or institutions, including state departments of education, intermediate or local educational agencies, institutions of higher education, professional organizations and voluntary associations. FY 1980 appropriations: $5 million.

References: Part C, Education of the Handicapped Act, as amended. P.L. 90-247, P.L. 91-230, P.L. 95-49. U.S. Code: 20 U.S.C. 1424. C.F.D.A.: 13.568.

7. *Regional Education Programs for the Handicapped.* Grants are made under Part C to institutions of higher education, including junior and community colleges, vocational and technical institutions, and other nonprofit educational agencies for the development and operation of specially designed or modified programs of vocational, technical, postsecondary or adult education for handicapped persons. These projects provide supportive services for handicapped persons enrolled in post-secondary programs, such as interpreting, reading, tutoring, counseling, housing referral, registration assistance and personal attendants. FY 1980 appropriations: $2.4 million.

References: Part C, Education of the Handicapped Act, as amended. P.L. 90-247, P.L. 91-230, and P.L. 95-49. U.S. Code: 20 U.S.C. 1424a. C.F.D.A.: 13.560.

8. *Training for Educators and Other Personnel Serving Handicapped Children.* Project grants are made under Part D of the Act to improve the quality and increase the supply of teachers, supervisors, administrators, researchers, teacher educators, paraprofessionals, speech correctionists, and other special educational personnel, such as specialists in physical education and recreation. These grants are awarded to institutions of higher education, state and local educational agencies and other public and nonprofit private agencies. Funds may be used to cover student stipends, dependency allowances, and institutional support for undergraduate, graduate and

summer traineeships, special study institutes and projects. FY 1980 appropriations: $55.4 million.

References: Part D, Education of the Handicapped Act, as amended. P.L. 88-164, P.L. 89-105, P.L. 90-170, P.L. 90-247, P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1431. C.F.D.A.: 13.451.

9. *Handicapped Teacher Recruitment and Information.* Project grants are awarded under Part D for the following purposes: (1) to disseminate educational and related information to parents and others interested in the well-being of handicapped children; (2) to help parent/consumer groups provide information and referral services; (3) to recruit potential teachers to areas of shortage in special education; and (4) to encourage schools to respond to the special needs of handicapped children by providing them with factual information on what can be done by and for handicapped persons. Grants are made to public or nonprofit private agencies, organizations or institutions. FY 1980 appropriations: $1 million.

References: Part D, Education of the Handicapped Act, as amended. P.L. 88-164, P.L. 89-105, P.L. 90-170, P.L. 90-247, P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1433. C.F.D.A.: 13.452.

10. *Research and Demonstration in Education of the Handicapped.* Under Part E of the Act, project grants are awarded to support research and related activities, including the initiation of model programs designed to improve the education of handicapped children and physical education and recreational activities for the handicapped. (Research in the area of learning disabilities was initially authorized as part of a separate Part G; however, when learning disabilities were recognized as a distinct handicapping condition for purposes of the Act, this function was consolidated under Part E.) Grants and contracts are made to state or local educational agencies, public and private institutions of higher education and other public or private educational or research agencies and organizations. FY 1980 appropriations: $20 million.

References: Part E, Education of the Handicapped Act, as amended. P.L. 88-164, P.L. 89-105, P.L. 90-247, P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1441. C.F.D.A.: 13.443.

11. *Instructional Media and Captioned Films for the Handicapped.* Project grants are made under Part F of the Act to public and private agencies and organizations to support the following types of activities: (1) to maintain a free loan service of captioned films for the deaf and instructional material for the educational, cultural and vocational enrichment of the handicapped; (2) to acquire and distribute media materials and equipment; (3) to support research

into the use of media; and (4) to train teachers, parents and others in media utilization. FY 1980 appropriations: $19 million.

References: Part F, Education of the Handicapped Act, as amended. P.L. 89-258, P.L. 90-247, P.L. 91-230 and P.L. 95-49. U.S. Code: 20 U.S.C. 1451. C.F.D.A.: 13.446.

**C. Legislative History**

In 1966, Congressional hearings revealed that only about one-third of the 5.5 million handicapped children in the country were being provided appropriate special education services. According to a Senate Committee report[2] issued at the time, the remaining two-thirds were either totally excluded from public schools or "sitting idly in regular classrooms awaiting the time when they were old enough to 'drop out.'" Federal programs directed at handicapped children, the Senate Committee reported, were "minimal, fractionated, uncoordinated, and frequently given a low priority in the education community."

1. *State Formula Grants.* In response to this situation, Congress passed P.L. 89-750 which added a new Title VI to the Elementary and Secondary Education Act. Under this new authority, a program of grants to the states was established to assist in the education of handicapped children. The 1966 legislation also created a National Advisory Committee on Handicapped Children and mandated the creation of a Bureau of Education for the Handicapped within the U.S. Office of Education. The Bureau was to be responsible for administering programs and projects relating to the education and training of the handicapped, including programs and projects for training teachers and for conducting research in the field of special education.

In 1967, amendments to the Elementary and Secondary Education Act (P.L. 90-247) stipulated that no state would receive less than $100,000 or 3/10 of 1 percent of the annual Congressional appropriation for Part B grants, whichever was greater. This provision was intended to assure that each state received a large enough grant to make the program effective.

The Elementary and Secondary Education Amendments of 1970 (P.L. 91-230) consolidated into one act a number of previously separate federal grant authorities relating to handicapped children,

[2] U.S. Senate, Committee on Labor and Public Welfare. Subcommittee on the Handicapped, *Report on Education of the Handicapped Act, as amended through December 31, 1975*, U.S. G.P.O., Washington, D.C. August, 1976, page 126.

including Title VI of ESEA. This new authority was entitled the "Education of the Handicapped Act."

The Education Amendments of 1974 (P.L. 93-380) authorized a sharp increase in funds to assist in educating handicapped children in the public schools, in order to help states faced with meeting court or legislatively imposed "right to education" mandates. P.L. 93-380 also required the states to establish a goal of providing full educational opportunities for all handicapped children and submit, by August 21, 1974, a detailed plan and timetable for achieving this goal. In addition, the Act provided procedural safeguards for use in identifying, evaluating and placing handicapped children, mandated that such youngsters be integrated into regular classes whenever possible, and required assurances that testing and evaluation materials would be selected and administered on a nondiscriminatory basis. Finally, P.L. 93-380 elevated the head of the Bureau of Education for the Handicapped to the status of Deputy Commissioner of Education.

In 1975, the Education for All Handicapped Children Act (P.L. 94-142) expanded the Part B program into a multi-billion dollar Federal commitment to assist state and local educational agencies to provide appropriate educational services for handicapped children. Passage of the legislation marked a significant milestone in the nation's efforts to provide full and appropriate educational services for handicapped children.

P.L. 94-142 established a new allocation formula under which states would be entitled to receive an amount equal to the number of handicapped children, age 3 through 21, receiving special education and related services, times a specified percentage of the average per pupil expenditure in public elementary and secondary schools in the U.S. The Act called for a gradually increasing percentage of Federal aid, beginning with 5 percent in FY 1978, to 10 percent in FY 1979, to 20 percent in FY 1980, 30 percent in FY 1981, and 40 percent in FY 1982 and succeeding fiscal years.

In order to prevent states from including non-handicapped children, P.L. 94-142 initially limited the number of children who could be counted to twelve percent of the total school age population between the ages of five and seventeen. In addition: (a) no more than 1/6 of a state's total count (or 2 percent) could consist of children with specific learning disabilities; and (b) children counted for purposes of determining the state's entitlement under Title I of the Elementary and Secondary Education Act (as amended by P.L. 89-313) could not be counted under the Part B program. The

limitation on the number of learning disabled children in a state's "child count" since has been lifted.

During FY 1976 and FY 1977 all federal funds were controlled by the state education agency and distributed to local agencies according to an approved state plan. After the new distribution formula went into effect, however, a set percentage of federal assistance had to be passed through to local education agencies. In FY 1978, 50 percent of a state's allotment had to be forwarded to LEA's while in FY 1979 and succeeding fiscal years 75 percent had to be passed through. In addition, under the broad authority of the General Education Provisions Act of 1969 (P.L. 91-230), appropriations for education of the handicapped programs may be "forward-funded"—made available in the fiscal year preceding the fiscal year in which the money will be used or obligated.

In order to qualify for federal assistance under Part B, a state had to agree to establish a goal of serving all handicapped children between the ages of 3 and 18 by September 1, 1978, and between 3 and 21 by September 1, 1980. However, this timetable does not apply to children from 3 to 5 and 18 to 21 where mandatory services to such children would be inconsistent with state law or practice or a binding court order.

A separate authority was included in the Act to encourage states to serve children between the ages of 3 and 5. States are entitled to receive up to $300 for each child served within this age range. Per capita grants are ratably reduced if appropriations are insufficient in any fiscal year to cover the states' full entitlements.

P.L. 94-142 stipulated that an individualized educational program must be developed for each handicapped child, including: (a) a statement of the child's current educational performance; (b) annual goals and short-term instructional objectives; (c) a description of the services to be provided and the extent to which the child will be able to participate in regular educational programs; and (d) the projected initiation date and the anticipated duration of services. The law also required that each child's individualized educational program be reviewed at least annually.

Under the Act, first priority was to be given to unserved children and second priority to severely handicapped youngsters who were not receiving adequate services. In order to qualify for federal assistance under Part B, a state was required to submit a plan to the U.S. Commissioner of Education which: (a) assured that all federally funded education programs for the handicapped (including those funded under Title I, ESEA and the Vocational Education Act)

were consistent with the state's P.L. 94-142 plan; (b) outlined a comprehensive plan for personnel development; (c) provided for free services to handicapped children placed by LEA's in private elementary and secondary schools; (d) assured that federal funds will be used to supplement and increase and not to supplant state and local funds; (e) described procedures for evaluating, at least annually, the effectiveness of programs in meeting the educational needs of handicapped children; (f) provided for the appointment of a panel to advise state education officials on unmet needs and program regulations; and (g) specified procedures for record keeping and accounting for federal funds.

Local education agencies (and intermediate school units) were required to submit an application to the appropriate state education agency in order to qualify for federal support. This application was to: (a) assure that federal funds would be used exclusively to pay the excess costs attributable to the education of handicapped children; (b) provide that all handicapped children within the jurisdiction, regardless of the severity of their handicaps, would be identified, located and evaluated; (c) establish policies to safeguard the confidentiality of personal records; (d) establish a goal of providing full educational opportunities to all handicapped children; (e) establish a detailed timetable for accomplishing this goal; and (f) describe the kinds and number of facilities, personnel and services necessary to accomplish the goal.

The state education agency was authorized to withhold federal funds if any local or intermediate school district failed to comply with the above requirements.

All of the due process safeguards incorporated in the 1974 amendments to the Act (P.L. 93-380) were retained and several further provisions, designed to protect the interests of the handicapped child and his or her parents, were added. These additional rights of the handicapped child and his parents or guardian included:

- an opportunity to examine all relevant records regarding identification, evaluation and educational placement of the child;
- written notice of identification, evaluation or placement of the child in an educational program (including the right to be notified in one's native language);
- an opportunity to present complaints.

In addition, state or local educational agencies were to conduct impartial due process hearings on any complaint received from a parent or guardian. At such hearings the parents were to have

the right to be represented by counsel, to present evidence, cross-examine and compel the attendance of witnesses, and receive a statement of factual findings and decisions.

P.L. 94-142 stipulated that the state education agency would be responsible for insuring that the provisions of the Part B program were carried out. In addition, the state agency was to assure that all educational programs for handicapped children, including those administered by other state and local agencies, were under their general supervision and met education agency standards.

P.L. 94-142 required all recipients of federal assistance under the Act to take affirmative steps to employ and advance in employment qualified handicapped individuals. The Act also authorized such sums as may be necessary for the purpose of removing architectural barriers in educational facilities.

2. *Centers and Services.* The Elementary and Secondary Education Amendments of 1967 (P.L. 90-247) authorized the establishment of regional resource centers, aimed at assisting teachers and other school personnel through the evaluation of educational materials and the development and dissemination of specific educational strategies for use with handicapped children. P.L. 90-247 also authorized centers and services for deaf-blind children.

Among the specific statutory responsibilities of these centers were the provision of: (a) comprehensive diagnostic and evaluation services; (b) programs for education, orientation and adjustment of such children; (c) consultative services for parents, teachers and others working with deaf-blind youngsters; and (d) training teachers and related specialists in research and demonstration activities.

Early education services for handicapped youngsters initially were authorized under the Handicapped Children's Early Education Assistance Act of 1968 (P.L. 90-538). The Act established a project grant program to support experimental preschool and early education programs for handicapped children, including activities and services designed to encourage intellectual, emotional, physical, mental, social and language development. In 1970, this program was extended and folded into Part C of the Education of the Handicapped Act (Section 614, P.L. 91-230).

Congress initially enacted the Captioned Films for the Deaf Act in 1958 (P.L. 85-905). It permitted the Office of Education to purchase, lease or accept films (primarily recreational films), provide captions for them, and distribute them through state schools for the deaf, as well as through other appropriate agencies.

Amendments to the Act in 1962 (P.L. 87-815) authorized the production of captioned films, the training of persons in their use, and the conduct of research to improve the quality and effectiveness of production, and broad utilization of the film medium. In 1965, this authority was broadened to include other forms of instructional materials, such as tapes, transparencies and programmed instructional materials. (P.L. 89-258).

The ESEA Amendments of 1967 (P.L. 90-247) expanded the program to provide for the production and distribution of educational media for the use of all types of handicapped persons (not just deaf), their parents, actual or potential employers, and other persons directly involved in work for the advancement of the handicapped. The amendments also authorized research and training of persons in the use of educational media for teaching handicapped persons. The Education of the Handicapped Amendments of 1977 (P.L. 95-49) continued the program without change.

3. *Training.* Federal assistance in preparing teachers of handicapped children was initially authorized under the National Defense Education Act of 1958 (P.L. 85-926). The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (P.L. 88-164) expanded the provisions for the training of personnel to all areas of education for the handicapped, at all academic levels—from teacher training to the training of college instructors, research personnel, and administrators and supervisors of teachers of the handicapped. The 1965 amendments to the Act (P.L. 89-105) extended the teacher training authority, while 1967 amendments (P.L. 90-170) added provisions for training physical education and recreation personnel for mentally retarded and other handicapped children.

The Elementary and Secondary Education Act Amendments of 1967 (P.L. 90-247) expanded teacher training to include an information dissemination program. The Education of the Handicapped Amendments of 1977 (P.L. 95-49) continued the authorization for these activities with minor modifications.

4. *Research.* Federal funding for research and demonstration projects related to education of handicapped children was originally authorized under the National Defense Education Act of 1958 (P.L. 85-926). The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (P.L. 88-164) extended and expanded the special education research and demonstration authority under P.L. 85-926. The 1965 amendments (P.L. 89-105) once again extended the research and demonstration program for

handicapped children. The Elementary and Secondary Education Amendments of 1967 (P.L. 90-247) added authority to conduct intramural research and to support extramural research grants to private, as well as public, educational or research institutions or organizations.

Research and model demonstration projects related to specific learning disabilities were originally authorized under the ESEA Amendments of 1969 (P.L. 91-230). In 1977, this authority was transferred to Part E of the Education of the Handicapped Act (P.L. 95-49).

## LIBRARY SERVICES AND CONSTRUCTION ACT

### A. Overview

The Library Services and Construction Act is the primary source of federal support for the nation's public libraries. Originally enacted in 1957 as a program to help local communities develop library services in rural areas, the Act since has been expanded to cover urban libraries as well as library services for patients and inmates of state-supported institutions, physically handicapped persons, and disadvantaged individuals in low income areas.

The Library Services and Construction Act is composed of four titles. Title I authorizes basic grants-in-aid to the states to assist them in expanding and improving library services. Title II provides grants for the construction of new libraries. Title III grants are designed to stimulate interlibrary cooperative activities. Title IV earmarks funds for improving library services for older persons.

### B. Major Programs Affecting the Handicapped

1. *Basic State Grants.* Title I of the Act provides formula grants to state library agencies in accordance with approved state plans, for the following purposes: (1) to develop and improve public library services to geographic areas and to groups of persons without such services; (2) to provide library services for patients and inmates in state-supported institutions, physically handicapped persons, and disadvantaged persons in low income areas (urban and rural); (3) to strengthen metropolitan public libraries which function as regional or national resource centers; and (4) to strengthen the capacity of the state library agency to meet the information needs of all the people.

Grant funds may be used to purchase books, equipment and other library materials, pay salaries and other operating expenses, cover the cost of administrating the state plan, and to strengthen the

capacity of state library administrative agencies to meet the needs of the state's citizens. FY 1980 appropriations: $56.9 million.

References: Title I, Library Services and Construction Act, as amended. P.L. 89-511, P.L. 91-600, and P.L. 95-123. U.S. Code: 20 U.S.C. 351. C.F.D.A.: 13.464.

2. *Interlibrary Cooperation.* Title III authorizes formula grants to state library agencies for planning, establishing and maintaining cooperative networks of libraries at the local, regional or interstate level. Support for systematic coordination of resources in school, public, academic and special libraries and information centers is also permitted under this title in order to improve supplementary services for the special clientele that each type of library serves. FY 1980 appropriations: $3.3 million.

References: Title III, Library Services and Construction Act, as amended. P.L. 89-511, P.L. 91-600, and P.L. 95-123. U.S. Code: 20 U.S.C. 355e. C.F.D.A.: 13.465.

**C. Legislative History**

Federal assistance to public libraries began in fiscal year 1957 when Congress originally passed the Library Services Act (P.L. 84-597) and provided $2 million in funding for the development of library services in rural areas. In 1964, the Act was amended (P.L. 88-269) to extend coverage to urban libraries as well as rural projects and to add a new program of library facility construction grants. The Act also was renamed the Library Services and Construction Act at this time.

The Library Services and Construction Act Amendments of 1966 (P.L. 89-511) added a new Title IV to the Act. Part A of Title IV authorized a program to assist states in providing library services in state institutions for inmates, patients and residents. Services were also authorized for physically or mentally handicapped students who were in residential schools for the handicapped that were operated or substantially supported by the state. Part B of Title IV made Federal funds available to state agencies for library services for individuals who were certified by a responsible authority as unable to read or to use conventional printed materials as a result of physical limitations. Such services could be provided through public or nonprofit library agencies or organizations.

Amendments to the Act in 1970 (P.L. 91-600) consolidated the various categorical grant programs under Title IV, including the authority for library services to residents of institutions, into an expanded basic state formula grant authority for library services,

under Title I of the Act. The 1977 Amendments (P.L. 95-123) extended program authorizations through fiscal 1981.

## HIGHER EDUCATION ACT

### A. Overview

The Higher Education Act of 1965, as amended, authorizes certain direct and indirect educational benefits for handicapped persons through various grant and loan programs, training of teachers of handicapped children, and certain barrier removal assistance in institutions of higher education.

The Higher Education Act of 1965, as amended, is composed of twelve titles which authorize a broad array of Federal financial assistance for the initiation and support of post-secondary education programs. Among the titles of the Act which directly or indirectly affect handicapped persons are: (1) Title I, Community Services and Continuing Education; (2) Title IV, Student Assistance; (3) Title V, Teacher Training Programs; and (4) Title VII, Construction, Reconstruction, and Renovation of Academic Facilities.

### B. Major Programs Affecting the Handicapped

1. *Community Services and Continuing Education.* The principal aim of Title I of the Act is to encourage colleges and universities to expand continuing education and other learning opportunities for adults and to assist communities in creating or strengthening new community service programs. Special community service projects may be directed at regional or national needs, including special programs for handicapped individuals. Title I provides assistance through formula grants to the states, which, in turn, are awarded to institutions of higher education, and through direct project grants to universities, colleges and other post-secondary institutions. FY 1980 appropriations: $9 million.

References: Title I, Higher Education Act of 1965, as amended. P.L. 89-329, P.L. 90-575, P.L. 92-318, P.L. 94-482, and P.L. 95-43. U.S. Code: 20 U.S.C. 1001 et al. C.F.D.A.: 13.491 and 13.557.

2. *Cancellation of Direct Loans to Students.* Under Part E of Title IV, the Federal Government is authorized to repay (cancel) direct loans made to students for their college education, if the student upon graduation enters certain public service fields, including service as a full-time teacher of handicapped children in a public or other nonprofit elementary or secondary school. FY 1980 appropriations: $14.8 million.

References: Title IV, Higher Education Act of 1965, as amended. P.L. 92-318 and P.L. 95-561. U.S. Code: 20 U.S.C. 1087ee. C.F.D.A.: 13.470.

3. *Educational Information Centers.* Subpart 5, Part A of Title IV, authorizes a program of formula grants to the states for establishing Educational Information Centers that will make available information, guidance and counseling, and referral services. These Centers also are expected to provide information and talent search services, and are designed to "seek out and encourage participation in full-time and part-time post-secondary education or training of persons who could benefit from such education or training," including physically handicapped persons. FY 1980 appropriations: $3 million.

References: Title IV, Higher Education Act of 1965, as amended. P.L. 94-482. U.S. Code: 20 U.S.C. 1070d-2. C.F.D.A.: 13.585.

4. *Teacher Centers.* Part B of Title V authorizes funds to establish teacher training programs, including Teacher Centers that will serve as a source for inservice training of teachers and as a focus for curriculum development. Project grants are made to local educational agencies or to institutions of higher education to develop and operate such Teacher Centers. The Centers are guided by a policy-making board, composed of a majority of teachers, including special education and vocational education teachers. One function of the Center is to improve the skills of teachers to "better meet the special educational needs" of handicapped and other disadvantaged students. FY 1980 appropriations: $13 million.

References: Title V, Higher Education Act of 1965, as amended. P.L. 92-318, P.L. 94-482, and P.L. 95-561. U.S. Code: 20 U.S.C. 1119a. C.F.D.A.: 13.416.

5. *Construction, Reconstruction and Renovation of Academic Facilities.* Part E of Title VII authorizes loans to institutions of higher education to bring their academic facilities into conformity with the accessibility requirements of the Architectural Barriers Act of 1968. FY 1980 appropriations: $25 million ($15 million has been rescinded).

References: Higher Education Act of 1965, as amended. P.L. 94-482, and P.L. 95-43. U.S. Code: 20 U.S.C. 1132b.

**C. Legislative History**

Federal support for higher education dates back to the early days of the Republic under the Morrill Act which established state land-grant universities. Among the more recent, well-known Federal higher education statutes were the GI Bill, which provided educational assistance to ex-servicemen after World War II, and the

National Defense Education Act (P.L. 85-864), which authorized funds to assist and stimulate higher education in the applied sciences (after the Russians launched the Sputnik satellite).

In 1965, several existing federal laws were recodified and expanded into the Higher Education Act (P.L. 89-329). A new system of student grants and guaranteed loans was established under this legislation. In addition, the 1965 Act authorized financial assistance for the procurement of undergraduate instructional equipment, the initiation of community service programs, the support of college libraries and developing institutions, and the creation of the Teacher Corps. The Higher Education Act also initiated a national policy of increasing accessibility of disadvantaged students to postsecondary education.

Amendments to the Higher Education Act in 1972 (P.L. 92-318) were aimed at improving the Title IV student assistance programs. Among the revisions was the addition of provisions for cancellation of student loans in exchange for public service. The 1972 amendments also authorized the development of Teacher Centers under Title V of the Act.

In 1976, Congress amended the Act (P.L. 94-482) to place increased emphasis on continuing education and community learning opportunities. The purpose of this change was to take cognizance of the fact that the "typical" college student was likely to be older and have had previous work experience. For the first time, the Act gave explicit attention to the post-high school educational needs of handicapped individuals.

Amendments to the Act in 1977 (P.L. 95-43) and 1978 (P.L. 95-561) extended authorizations for the various higher education programs and made minor modifications.

## VOCATIONAL EDUCATION ACT

### A. Overview

The Vocational Education Act of 1963, as amended, authorizes a program of grants-in-aid to the states in order to expand and improve vocational education services. The Act also empowers the Secretary of Education to award discretionary grants for the conduct of research, demonstration projects and personnel and curriculum development projects in the area of vocational education.

Handicapped persons are eligible to participate in vocational education activities supported under the Act. In addition, the statute

requires a set-aside of funds from the formula grant allotted to each state for the express purpose of serving handicapped individuals.

The Vocational Education Act of 1963, as amended, is composed of three parts: (1) Part A authorizes "block" grants to assist the states in expanding and improving vocational education programs, including services to persons "with special educational handicaps . . ."; (2) Part B authorizes grant support for projects of national significance, training and development of vocational education personnel, and assistance in remodeling and renovating vocational education facilities; and (3) Part C defines terms used in the Act.

For the purposes of the Act, the term "handicapped persons" is defined as: "persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired persons who by reason thereof require special education and related services, and who, because of their handicapping condition, cannot succeed in the regular vocational education program without special education assistance or who require a modified vocational education program."

**B. Major Programs Affecting the Handicapped**

1. *Basic Grants to States for Vocational Education.* The Part A (Subpart 1) program of formula grants to state boards for vocational education is the basic source of Federal support under the Act. Formula grant activities may include: basic vocational education programs, cooperative programs, energy education, construction of area vocational school facilities, provision of stipends, placement services, industrial arts programs, programs for special groups, construction and operation of residential vocational education facilities, and state and local administrative costs. Ten percent of a state's allotment must be used to provide vocational education services to handicapped individuals. FY 1980 appropriations: $473.4 million.

References: Part A, Vocational Education Act of 1963, as amended. P.L. 88-210, P.L. 90-576, P.L. 94-482, and P.L. 95-40. U.S. Code: 20 U.S.C. 2301. C.F.D.A.: 13.493.

2. *Consumer and Homemaking Education.* Subpart 5 of Part A authorizes formula grants to the states for consumer and homemaker education programs. These grants are aimed at providing instruction in consumer education, food and nutrition, family living and parenthood education, child development and guidance, housing and home management (including resource management), and clothing and textiles. The program also supports: (1) outreach activities for youth and adults, including persons with special needs, such as handicapped individuals; and (2) related services, including

teacher training and supervision, curriculum development, research, program evaluation, special demonstration and experimental programs, development of instructional materials, exemplary projects, provision of equipment, and state administration. FY 1980 appropriations: $43.4 million.

References: Part A, Vocational Education Act of 1963, as amended. P.L. 90-576, P.L. 94-482, P.L. 95-40. U.S. Code: 20 U.S.C. 2380. C.F.D.A.: 13.493.

3. *Program Improvement Projects.* Part B of the Act authorizes Federal support for projects to improve vocational education services. Such project grants may be awarded to public and private organizations and agencies to support: (1) research, curriculum development and demonstration projects; and (2) the operation of a National Center for Research in Vocational Education. In the past, several projects have been funded to improve access of disadvantaged and handicapped persons to vocational education services. FY 1980 appropriations: $9 million.

References: Part B, Vocational Education Act of 1963, as amended. P.L. 90-576, P.L. 94-482, and P.L. 95-40. U.S. Code: 20 U.S.C. 2401. C.F.D.A.: 13.498.

**C. Legislative History**

Federal support for vocational education programs dates back to the Smith-Hughes Act of 1917. More recent federal efforts to expand and improve vocational education can be traced back to the Vocational Education Act of 1963 (P.L. 88-210). The 1963 Act created a permanent authority to assist the states in supporting vocational training for youth and adults through the public schools. The legislation also authorized funds for the construction of area vocational schools, work-study programs and demonstration projects.

In 1968, the Vocational Education Act was amended (P.L. 90-576) to give the states increased flexibility in the use of Federal formula grant funds. The 1968 amendments also required each participating state to earmark ten percent of its vocational education allotment for services to handicapped persons who, because of their disabling condition, were unable to succeed in regular vocational educational classes without special educational assistance.

The Education Amendments of 1976 (P.L. 94-482) continued the 10 percent set-aside of vocational education funds for handicapped persons, requiring the states: (1) to establish a 50 percent state matching rate for services to handicapped persons, in order to eliminate the practice of replacing state funds with federal monies; (2) to use the set-aside funds to assist handicapped individuals, to the maximum extent possible, to participate in regular vocational

education programs and to reduce the number of handicapped students placed in segregated vocational classes; and (3) to establish policies and plans for expending vocational education set-aside funds which are consistent with the state's education of the handicapped plan under P.L. 94-142. Amendments in 1977 (P.L. 95-40) extended vocational education program authorizations and made minor modifications.

## MODEL ELEMENTARY AND SECONDARY SCHOOLS FOR THE DEAF ACTS

In 1966, Congress passed the Model Secondary School for the Deaf Act (P.L. 89-694), which authorized the Secretary of Health, Education, and Welfare to enter into an agreement with Gallaudet College to establish a model secondary school for the deaf. This high school, while serving primarily the needs of the National Capital Area and nearby states, was to be a model for the development of similar programs across the country.

The Model Elementary School for the Deaf Act of 1970 (P.L. 91-587) authorized Gallaudet College to establish the Kendall School to provide day and residential facilities for elementary age deaf children. The school, which focuses primarily on District of Columbia residents, also serves as a national demonstration program for elementary-level education of deaf youngsters.

## DEPARTMENT OF EDUCATION ORGANIZATION ACT OF 1979

On October 17, 1979, President Carter signed into law a measure authorizing the establishment of a new, Cabinet-level Department of Education (P.L. 96-88). The new Department was to open with 17,000 employees and a FY 1980 budget totaling $14.2 billion. Under its jurisdiction were most of the education programs formerly operated by the Office of Education in the Department of Health, Education, and Welfare, as well as Overseas Defense Department schools and other scattered educational programs. It did not, however, include child nutrition, veterans education, Head Start, aid to the arts and humanities, or educational activities of the National Science Foundation. Under the Act, the Department of Health, Education, and Welfare was renamed the Department of Health and Human Services.

The Act established a new Office of Special Education and Rehabilitative Services, headed by an Assistant Secretary. The statutory mission of this Office was to administer programs authorized under the Education of the Handicapped Act, and the Vocational Rehabilitation and Randolph-Sheppard Acts. These programs previously were administered

by the Bureau of Education for the Handicapped and by the Rehabilitation Services Administration, respectively. The Developmental Disabilities Program, which had been located in the Rehabilitation Services Administration, was not transferred into the new Department; instead, it was housed in the Administration on Developmental Disabilities, Office of Human Development Services, within the Department of Health and Human Services.

## CAREER EDUCATION INCENTIVE ACT

The Career Education Incentive Act authorizes grant funds to assist elementary and secondary schools in providing information and education on career opportunities. Emphasis is placed on overcoming bias and stereotyping associated with race, sex, age, economic status or handicapping conditions in selecting careers. The Act defines "handicapped" to mean: "mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health impaired persons, or persons with specific learning disabilities who require special education and related services."

Career education encompasses activities involving career awareness, attitude towards work, career planning, selection and decision-making, and a broad view of career choices begun in the early stages of education. Specific job skill training, however, is not included within the program's purview.

Federal support for career education programs began under Title IV (Section 406) of the Education Amendments of 1974 (P.L. 93-380). The 1974 amendments provided for discretionary grant programs and the establishment of a separate Federal Office of Career Education, within the U.S. Office of Education. Section 406 specified that demonstration projects for career education must include "models in which handicapped children receive appropriate career education either by participation in regular or modified programs with nonhandicapped children or where necessary in specially designed programs for handicapped children whose handicaps are of such severity that they cannot benefit from regular or modified programs."

The 1977 Act also authorized states to conduct comprehensive programs for the development and implementation of collaborative relationships with organizations representing the handicapped, including the use of such organizations as resources in the schools and for field trips. The Act continued the requirement for a separate Office of Career Education; however, the Secretary of the Department of Education subsequently was given authority to discontinue the office, if need be, under the Department of Education Organization Act (P.L. 96-88).

(For details on the Department of Education Organization Act, see page 23.) Provision for demonstration grants also were continued under P.L. 95-207.

References: Career Education Incentive Act of 1977. P.L. 93-380 and P.L. 95-207. U.S. Code: 20 U.S.C. 2501. C.F.D.A.: 13.554 and 13.596.

## NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED

Under legislation initially enacted by Congress in 1904, the Library of Congress makes available free braille and recorded materials to blind and physically handicapped persons. The program, called the National Library Service for the Blind and Physically Handicapped, distributes full-length books and magazines in braille and on recorded discs and cassettes through a cooperative network of regional and local libraries. Materials are circulated free of charge to eligible borrowers. Eligibility for this service is extended to anyone who is unable to read or use standard printed materials as a result of temporary or permanent visual or physical limitations.

The original 1904 legislation authorized the mailing of free braille books to blind adults. In 1931, the Pratt-Smoot Act established a centralized national library service for adult blind readers, administered by the Library of Congress. The program was expanded in 1934 to include talking book services, at no cost to adult readers. The national books-for-the-blind program was extended to children in 1952, by an amendment that deleted the word "adult." Music instruction materials, including musical scores in braille, texts and related information were added to the library services by 1962 amendments (P.L. 87-765).

Amendments in 1966 (P.L. 89-511 and P.L. 89-522) extended the service to "other physically handicapped readers certified by a competent authority as unable to read normal printed materials as a result of physical limitations." FY 1980 appropriations: $36.9 million.

References: Act to Provide Books for the Blind, as amended. P.L. 89-511 and P.L. 89-522. U.S. Code: 2 U.S.C. 135. C.F.D.A.: 42.001.

## IMPACT AID TO FEDERALLY AFFECTED AREAS

Legislation authorizing aid to local educational agencies in areas affected by Federal activities was originally enacted in 1951 (P.L. 81-874 and P.L. 81-815). This "impact aid" program was based on the assumption that Federal activities, such as military bases and government offices, placed a financial burden on school districts by reducing

local tax revenues while increasing the number of children to be educated.

School districts are eligible to receive impact aid if at least three percent of their enrollment, or 400 students, are from Federally-connected families. Such children are divided into two major categories: (1) Part A children are youngsters living on, *and* having a parent employed on, Federal property; and (2) Part B children are youngsters living on *or* having a parent employed on Federal property or in the uniformed services. Funds are allocated to local educational agencies through a formula based on the number of children counted as eligible under Part A and Part B. Approximately one out of every four school districts in the country receives Federal impact aid allocations.

The Education Amendments of 1974 (P.L. 93-380) permitted local educational agencies to receive 150 percent of their per pupil reimbursement under impact aid for handicapped children eligible under Part A or Part B. However, to receive the higher reimbursement, the child must be enrolled in a public school district program which meets his or her special educational needs. "Handicapped children" are defined as children who meet the definition contained in the Education of the Handicapped Act (see page 5).

The Education Amendments of 1978 (P.L. 95-561) extended impact aid reimbursement for handicapped children to those who are placed by the local educational agency into special private schools or schools outside of the school district. FY 1980 (estimated) appropriations: $483 million.

References: Educational Agencies Financial Aid Act, as amended. P.L. 93-380 and P.L. 95-561. U.S. Code: 20 U.S.C. 238. C.F.D.A.: 13.477 and 13.478.

## EMPLOYMENT

### COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

#### A. Overview

The Comprehensive Employment and Training Act of 1973, as amended, authorizes a range of programs to assist unemployed persons to develop job skills and work potential. It also provides public service employment opportunities and job counseling to unemployed and underemployed persons. Handicapped persons are eligible to participate in most CETA programs, under both services targeted specifically to handicapped individuals and certain programs provided for the "economically disadvantaged" and "unemployed."

CETA defines the term "handicapped individual" to mean "any individual who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment." "Economically disadvantaged" and "unemployed" persons are defined by the Act to include–in cases permitted under Labor Department regulations–handicapped persons living at home or in an institution or receiving services in a sheltered workshop, prison, hospital, or similar community or institutional care facility.

The Comprehensive Employment and Training Act of 1963, as amended, is composed of eight titles, authorizing Federal assistance to help economically disadvantaged, unemployed and underemployed persons obtain the necessary job skills and locate suitable employment. Title II authorizes grants-in-aid to state and local prime sponsors to provide and/or coordinate the provision of services to eligible recipients. Such services may include: training, work experience, upgrading skills, retraining, and public service employment for the economically disadvantaged, including certain handicapped persons. Title III of the Act authorizes programs and projects to serve persons with particular disadvantages in the labor market. Title IV authorizes various job training and work experience

programs for teenagers, including handicapped youth. Other programs supported under CETA, include: (1) countercyclical public service employment; (2) private sector opportunities for the economically disadvantaged; and (3) the Young Adult Conservation Corps.

**B. Major Programs Affecting the Handicapped**

1. *Comprehensive Employment and Training Services.* Parts A, B, and C of Title II authorize formula grant funds to state and local "prime sponsors"–entities designated to administer comprehensive employment and training services. Handicapped persons who are economically disadvantaged and unemployed, or in school, are eligible to benefit from programs funded by such prime sponsors. Part D provides funds to prime sponsors for transitional public service employment, aimed at enhancing a worker's opportunity to seek employment in the private sector.

Fiscal 1980 appropriations: $5.2 billion (out of which funds were also drawn for countercyclical public service employment programs authorized under Title VI of the Act).

References: Title II, Comprehensive Employment and Training Act of 1973, as amended. P.L. 93-203 and P.L. 95-524. U.S. Code: 29 U.S.C. 801. C.F.D.A.: 17.232.

2. *Special Target Population.* Part A of Title III authorizes project grants to state and local governments, private organizations and educational institutions to provide or coordinate the provision of job training, related services and employment opportunities for handicapped persons and other targeted populations with special employment and training needs. Program funds also may be used to train personnel to work with and assist handicapped children and adults. FY 1980 appropriations: $152.7 million.

References: Title III, Comprehensive Employment and Training Act of 1973, as amended. P.L. 93-203 and P.L. 95-524. U.S. Code: 29 U.S.C. 871. C.F.D.A.: 17.243.

3. *Research and Demonstration Grants.* Part B of Title III authorizes research, demonstration and experimental project grants. State and local governments and institutions of higher education are eligible to receive such grants. Projects must be designed to assist unemployed persons who have "serious problems in the labor market," including mentally and emotionally handicapped persons, to acquire the skills necessary to hold a job, through temporary, highly structured and supervised work experience and training. Part B also provides for educational and assistance programs designed to eliminate artificial barriers to employment. FY 1980 appropriations: $14.3 million.

References: Title III, Comprehensive Employment and Training Act of 1973, as amended. P.L. 93-203 and P.L. 95-524. U.S. Code: 29 U.S.C. 879. C.F.D.A.: 17.233.

4. *Employment Demonstration Programs.* Part A of Title IV authorizes the Youth Community Conservation Improvement Project (for persons aged 16-19) and the Youth Employment and Training Program (for persons 16-21). State and local prime sponsors are entitled to receive grants under these authorities to establish well-supervised work programs which benefit the community, make a significant long term impact on the structural unemployment problems of youth, and enhance job prospects and career opportunities of young persons. Under both programs, sponsors must make appropriate efforts to include youth who are experiencing severe handicaps in obtaining employment, including mentally and physically handicapped youth. Removal of architectural barriers and certain social services for handicapped persons are considered acceptable employment activities under the two programs. FY 1980 appropriations: $134 million for YCCIP and $797.9 million for YETP.

References: Title IV Comprehensive Employment and Training Act of 1973, as amended. P.L. 93-203 and P.L. 95-524. U.S. Code: 29 U.S.C. 891. C.F.D.A.: 17.239 and 17.241.

5. *Job Corps.* The Job Corps program, authorized under Part B, Title IV of the Act, authorizes project grants to state and local agencies and private organizations for the purpose of operating residential centers serving low-income youth (ages 16-21) who require intensive educational and vocational training services in order to secure meaningful employment. Training may extend for periods from 6 months to 2 years. Trainees receive a monthly allowance and readjustment payments when they return to the community. The age limit may be waived to permit handicapped individuals, over 21 years of age, to participate in Job Corps programs. FY 1980 appropriations: $415.7 million.

References: Title IV, Comprehensive Employment and Training Act of 1973, as amended. P.L. 93-203, and P.L. 95-524. U.S. Code: 29 U.S.C. 923. C.F.D.A.: 17.211.

**C. Legislative History**

The Comprehensive Employment and Training Act was enacted in 1973 (P.L. 93-203) to consolidate Federally-funded employment and training programs that had developed under the former Manpower Development and Training Act. The aim of Congress was to fix responsibility for operating such programs with a network of

state and local administrative and service delivery units, referred to in the legislation as "prime sponsors."

Although many handicapped individuals were eligible to participate in CETA programs by virtue of inadequate income and lack of employability, specific recognition of the employment and training needs of handicapped persons was not included in statute until the CETA Amendments of 1978 (P.L. 95-524). In that legislation, a series of provisions were added to the Act to emphasize the eligibility of handicapped youth and adults to participate in and benefit from CETA-funded projects. Among these provisions were requirements that:

- CETA prime sponsors include in their master and annual plans descriptions of employment and training services to handicapped and disabled individuals;

- the prime sponsor's annual plan set forth an affirmative action program for outreach, training, placement and advancement of handicapped persons in CETA programs, including: (a) a description of the extent and methods used to meet the special needs of handicapped persons; and (b) the number of handicapped individuals served during each of the preceding two years, the type of training or employment they were placed in, and the number who were moved into unsubsidized employment;

- the prime sponsor's planning council and the state employment and training council include in their membership representatives of the handicapped;

- all CETA prime sponsors and subcontractors prohibit discrimination on the basis of handicap.

- part-time, flexitime and other alternative working arrangements be permitted for individuals unable, because of age, handicap or other factors, to work full time; and

- prime sponsors make an effort to remove architectural barriers to employment of the handicapped. While such efforts are not intended to authorize CETA funding for major construction programs, prime sponsors may use CETA and other funding to remove barriers that prevent qualified handicapped persons from filling available positions or impede ready access to public facilities and services.

Recognition of the special needs of handicapped individuals also was incorporated in Title III of the Act under the 1978 amendments. A new Section 306 was added to Title III, which called for:

(a) the establishment of programs to train personnel working with and assisting handicapped individuals; and (b) the establishment of administrative procedures, including the use of personnel having particular competence in the field, to meet the special needs of handicapped persons receiving CETA-funded services.

Section 306 also set forth a Congressional finding that: (a) due to the rapid implementation of the Education for All Handicapped Children's Act (P.L. 94-142) and Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), there is a need for specialized supportive services and removal of architectural barriers; and (b) handicapped individuals represent a large percentage of the unemployed, and CETA-funded training and employment services can provide a meaningful improvement in their lives.

## FAIR LABOR STANDARDS ACT

### A. Overview

The Fair Labor Standards Act of 1938, as amended, establishes minimum Federal requirements for hours of work, equitable wages, overtime pay, record-keeping, and the conditions under which children may be employed. Over 50 million full and part-time workers in the United States are covered by the provisions of the Act. In addition to its general requirements, the Act includes special provisions governing the employment of mentally and physically handicapped persons in sheltered workshops and similar work settings.

### B. Major Provisions Affecting the Handicapped

1. *Certificates for Special Minimum Wages.* Section 14 of the Act establishes requirements governing the employment of learners, apprentices, students and handicapped workers. Under this section, the Secretary of Labor is authorized to issue special certificates, "in order to prevent curtailment of opportunities for employment" of individuals "whose earning or productive capacity is impaired by age or physical or mental deficiency." In 1966, amendments to the Act (P.L. 89-601) required employers who, under a special certificate, pay workers less than the minimum wage established under the Act to assure that wages: (a) are commensurate with the wages paid to nonhandicapped workers in industry in the same area for essentially the same types, quality and quantity of work; and (b) are not less than 50 percent of the prevailing minimum wage.

Special certificates also may be granted by the Secretary of Labor, with the approval of the state vocational rehabilitation agency, for less than 50 percent of minimum wage in the case of: (a)

handicapped workers engaged in work which is incidental to training or evaluation programs; (b) multihandicapped individuals whose earning capacity is so severely impaired that they are unable to engage in competitive employment; and (c) handicapped clients employed in "work activity centers," defined as, "centers planned and designed exclusively to provide therapeutic activities for . . . clients whose physical or mental impairments are so severe as to make their productive capacity inconsequential."

However, in these instances, the hourly pay scale still must be commensurate with wages earned by nonhandicapped workers performing the same type, quality and quantity of work.

2. *Employees of an Enterprise Engaged in Commerce.* Section 3 of the Fair Labor Standards Act specifies the types of employees covered by the provisions of the statute. In 1966, the Act was amended (P.L. 89-601) to revise the statutory definition of a business enterprise engaged in commerce or in the production of goods for commerce. Under the revised definition, coverage was extended to employees of institutions serving handicapped persons. The following institutions were included under the new definition: "a hospital, an institution primarily engaged in the care of the sick, the aged, the mentally ill or defective who reside on the premises of such institution, a school for mentally or physically handicapped or gifted children, a preschool, elementary or secondary school, or an institution of higher education (regardless of whether or not such hospital, institution or school is public or private or operated for profit or not for profit)."

However, as the result of a 1976 Supreme Court decision (*National League of Cities, et. al. v. Usery*), federal minimum wage and hour requirements do not apply to employees of institutions operated by a state or local government agency. In the *National League of Cities* case, the Court ruled that it is unconstitutional for federal wage and hour standards to be imposed on state and local governments.

3. *Minimum Wage Commission and Study.* The 1977 Fair Labor Standards Amendments (P.L. 95-151) increased the Federal minimum wage and established a Minimum Wage and Study Commission to analyze the social, political, and economic ramifications of minimum wage, overtime, and other requirements of the Fair Labor Standards Act of 1938, as amended. Included in the study was to be an assessment of the potential effects on the employment of handicapped and elderly persons of increasing the minimum wage rate and/or providing a different minimum wage rate.

References: Fair Labor Standards Act, as amended. P.L. 89-601 and P.L. 95-151. U.S. Code: 29 U.S.C. 203.

## SMALL BUSINESS ACT

### A. Overview

The Small Business Act of 1953, as amended, authorizes a series of programs, designed to preserve "... free, competitive enterprise in order to strengthen the Nation's economy." The Act permits certain handicapped businesses to compete for small business procurement set-asides, and establishes two loan programs specifically aimed at assisting handicapped persons. Under one program, the Small Business Administration is authorized to make direct or guaranteed loans to nonprofit sheltered workshops and other similar organizations to enable them to produce and provide marketable goods and services. The second loan program is designed to assist handicapped individuals establish, acquire or operate their own small businesses. In both cases, loans of up to $350,000 may be approved for a maximum period of 15 years.

The Act defines the term "handicapped individual" to mean: "a person who has a physical, mental or emotional impairment, defect, ailment, disease or disability of a permanent nature which in any way limits the selection of any type of employment for which the individual would otherwise be qualified or qualifiable."

### B. Major Programs Affecting the Handicapped

1. *Workshop Loans.* Handicapped Assistance Loans may be awarded to help non-profit sheltered workshops or similar organizations (HAL-1) construct facilities or acquire working capital, if such funds are not available from other sources. Loans may not be used for training, education, housing or other supportive services. Nonprofit organizations must be operating in the interests of handicapped persons and must employ handicapped persons for at least 75 percent of the man-hours required for the direct production of commodities or services.

References: Small Business Act of 1953, as amended. P.L. 92-595, and P.L. 95-89. U.S. Code: 15 U.S.C. 636. C.F.D.A.: 59.021.

2. *Handicapped-Owned Businesses.* Handicapped Assistance Loans to small business concerns (HAL–2) may be used to: (a) construct, expand, or convert facilities; (b) purchase building equipment or materials; and (c) provide working capital. Eligible small business concerns are those that are independently owned and operated,

not dominant in their field, meet SBA requirements and are 100 percent-owned by handicapped individuals.

FY 1980 appropriations (HAL-1 and HAL-2): $20.5 million for direct loans, $5.5 million for guaranteed loans.

References: Small Business Act of 1953, as amended. P.L. 92-595, and P.L. 95-89. U.S. Code: 15 U.S.C. 636. C.F.D.A.: 59.021.

3. *Procurement Set-Asides.* Entities eligible for Handicapped Assistance Loans are permitted to compete for Federal small business procurement set-asides. The Act establishes procurement set-asides and other assistance to assure small businesses a fair share of contracts for producing Federal government supplies and services.

References: Small Business Act of 1953, as amended. P.L. 95-89 and P.L. 96-302. U.S. Code: 15 U.S.C. 637. C.F.D.A.: 59.009.

**C. Legislative History**

The 1972 amendments to the Small Business Act of 1953 (P.L. 92-595) expanded the authority of the Small Business Administration to provide direct and guaranteed loans for: (1) nonprofit sheltered workshops employing handicapped persons and; (2) handicapped individuals interested in establishing their own businesses.

In 1977 (P.L. 95-89), Congress permitted small businesses eligible for handicapped assistance loans to compete, on a one-year experimental basis, for Federal procurement contracts set aside for small businesses. A total of $100 million in procurements was authorized. The Small Business Administration also was directed to submit a report to Congress on the impact such small business set-asides had on organizations for handicapped individuals. The procurement authority for handicapped businesses was continued for three years, at the annual level of $100 million by 1980 amendments to the Act (P.L. 96-302).

## WAGNER-PEYSER ACT

The Wagner-Peyser Act of 1933, as amended, authorizes the establishment and operation of the Federal-state employment security system to help individuals find jobs and assist employers in locating qualified workers. Amendments to the Act in 1954, expanded the program by requiring every local employment service (or job service) office to designate at least one staff member responsible for helping severely handicapped individuals locate training resources and/or suitable employment.

Applicants are considered handicapped if they have physical, mental or emotional impairments that constitute an obstacle to their employment. Alcohol and drug abusers are included. The goals of the Employment Service's program for handicapped persons cover: (1) equal opportunity for employment and equal pay in competition with other applicants; (2) employment at the highest skill level permitted by their occupational qualifications; (3) satisfactory adjustment to their chosen occupations and work situations; and (4) employment that will not endanger others or aggravate their own disabilities. The Act also requires state employment services to coordinate their activities with state vocational rehabilitation agencies. FY 1980 appropriations: $11.1 million.

References: The Wagner-Peyser Act of 1933, as amended. P.L. 73-30, P.L. 93-203, and P.L. 95-524. U.S. Code: 29 U.S.C. 49, and 39 U.S.C. 338. C.F.D.A.: 17.207.

## PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT

The Public Works and Economic Development Act of 1965 (P.L. 89-136), as amended, authorizes project grants and loans to assist in the construction of public facilities needed to initiate and encourage long-term economic growth in specified geographic areas. The Act also provides funding for construction projects aimed at furnishing immediate employment in areas of high or sudden unemployment. The construction of vocational schools is considered an appropriate public works project. For example, several states have utilized public work funds to construct or renovate residential treatment facilities for mentally retarded and mentally ill persons.

In 1977, amendments to the Public Works Employment Act (P.L. 95-28) added a new requirement that applicants for public works projects give assurances to the Department of Commerce that their proposed projects comply with standards for accessibility of handicapped persons, as set forth under the Architectural Barriers Act of 1968. The Architectural and Transportation Barriers Compliance Board is authorized to insure that all new buildings and facilities meet accessibility standards. P.L. 95-28 also authorizes public works projects for the construction, renovation, repair or other improvements in health care or rehabilitation facilities, owned and operated by private nonprofit organizations (N.B., public facilities were considered eligible under prior law).

References: Public Works and Economic Development Act of 1965, as amended. P.L. 89-136, P.L. 94-369, P.L. 94-487, and P.L. 95-28. U.S. Code: 42 U.S.C. 3131. C.F.D.A.: 11.300, 11.304, 11.307 and 11.308.

# HEALTH

## MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES

### A. Overview

The Social Security Act of 1935 was enacted with provisions for an entitlement program aimed at improving health care for mothers and young children. Title V of the Act, as amended, authorizes grants-in-aid to the states, special project grants and research and training support to further the development and improvement of a national system of services to reduce infant mortality, enhance prenatal and postpartum care, and ameliorate the effects of handicapping conditions originating in childhood.

Separate provisions are contained in Title V, authorizing formula grants to the states for: (1) maternal and child health services (Section 503), and (2) crippled children's services (Section 504). In order to qualify for state allotments (funding for the two programs is combined into one grant award), a state must submit a plan which provides for: (1) cooperation between the maternal and child health and crippled children's services agency(ies) and other medical, health, nursing, education, welfare and vocational rehabilitation agencies and organizations; (2) early identification of children in need of health services and follow-up care and treatment required by such children "to correct or ameliorate defects or chronic conditions" discovered in the process; and (3) a program aimed at helping to reduce the incidence of mental retardation and other handicapping conditions originating at birth, with particular emphasis on mothers and children in low-income areas. Section 511 of the Act authorizes project grants for the training of maternal and child health personnel. Also included are training grants for university affiliated facilities for developmentally disabled children.

**B. Major Programs Affecting the Handicapped**

1. *Crippled Children's Services.* Formula grants are awarded to state crippled children's agencies to extend and improve medical and related services to crippled children and children suffering from conditions that lead to crippling conditions. In addition, project grants may be made to state crippled children's agencies or institutions of higher education for special projects of regional or national significance designed to improve services to such children. These grant funds may be used to locate crippled children and provide medical, surgical, corrective and other services, including diagnosis, hospitalization, and aftercare for crippled children.

The statute broadly defines "crippled children" to include individuals under the age of 21 who have an organic disease, defect, or condition which may hinder the achievement of normal growth and development. FY 1980 appropriations: $102.1 million.

References: Title V, Social Security Act, as amended. P.L. 88-156, P.L. 89-97 and P.L. 90-248. U.S. Code: 42 U.S.C. 704. C.F.D.A.: 13.211.

2. *Maternal and Child Health Services.* This program provides formula and project grants to the states and to institutions of higher education for: (a) services aimed at reducing infant mortality and improving the health of mothers and children; (b) providing programs and services designed to reduce the incidence of mental retardation and other handicapping conditions caused by complications associated with childbearing; (c) promoting the health and dental health of children and youth of preschool and school age; and (d) developing special projects of regional or national significance for improving maternal and child health services. FY 1980 appropriations: $243.4 million.

References: Title V, Social Security Act, as amended. P.L. 88-156, P.L. 89-97 and P.L. 90-248. U.S. Code: 42 U.S.C. 703. C.F.D.A.: 13.232.

3. *Research Projects.* Project grants are awarded to support research studies relating to the advancement of maternal and child health or crippled children's services. Public and non-profit institutions of higher education, state and local government agencies and other organizations engaged in research related to maternal and child health or crippled children's programs are eligible to apply for such grants. Examples of past research projects have included: (a) methods of increasing the effectiveness of child health programs, especially services for school-aged mentally retarded children; (b) studies of the prevalence of handicapping conditions; and (c) evaluation of such programs. FY 1980 appropriations: $5.3 million.

References: Title V, Social Security Act, as amended. P.L. 88-156, P.L. 89-97 and P.L. 90-248. U.S. Code: 42 U.S.C. 712. C.F.D.A.: 13.231.

4. *Personnel Training.* Project grants are made to public and non-profit institutions of higher education to train personnel for health care and related services to mothers and children, particularly mentally retarded children and children with multiple handicaps. Such grant funds may be used to support faculty, traineeships, services, clinical facilities, and short-term workshops and institutes. Since this grant program was originally authorized by Congress in 1965, the majority of funds appropriated under Section 511 of the Act have been used to support training programs in university affiliated facilities for developmentally disabled children. FY 1980 appropriations: $26.6 million.

References: Title V, Social Security, as amended. P.L. 89-97 and P.L. 90-248. U.S. Code: 42 U.S.C. 711. C.F.D.A.: 13.233.

**C. Legislative History**

The Nation's first health services formula grant program, enacted in 1921, was the predecessor of today's maternal and child health and crippled children's services programs. The Act, which was in force through 1929, was known as the Sheppard-Tower Act or the Maternity and Infancy Act.

In 1935, the Sheppard-Tower Act was revitalized and greatly expanded under Title V of the Social Security Act (P.L. 74-271). For the first time, the legislation established a federal-state system of crippled children's services. In addition, a centrally-administered special fund was established for demonstration projects and the training of personnel.

In 1963, Congress amended Title V (P.L. 88-156) to establish a new project grant program to improve prenatal care to women from low-income families where the risk of mental retardation and other birth defects was known to be inordinately high. In addition, authorizations for grants to the states under the maternal and child health and crippled children's programs were increased by the legislation and a research grant program was added to support studies "which show promise of substantial contribution to the advancement" of such service programs. These amendments to Title V were part of a legislative packet submitted to Congress by the Kennedy Administration to implement several recommendations contained in the October 1962 report of the President's Panel on Mental Retardation.

The Social Security Act Amendments of 1965 (P.L. 89-97) authorized special project grants for the development of comprehensive

maternal and child health care services and grants for multidisciplinary training of specialists to work with retarded and handicapped children. The latter program was intended to provide support for training activities in university affiliated facilities for the mentally retarded (see Developmental Disabilities Assistance and Bill of Rights Act, page 101).

The 1965 amendments also initiated a project grant program to improve health and related services to pre-school and school-aged children in low-income neighborhoods. Programs developed under this authority were designed to demonstrate that early attention to potentially handicapping conditions could improve the ability of such children to live more productive lives.

The Social Security Amendments of 1967 (P.L. 90-248) consolidated maternal and child health and crippled children's services under a single grant authorization, with a funding split of 50 percent for formula grants, 40 percent for project grants, and 10 percent for research and training. Effective July 1, 1972 (effective date was later extended to July 1, 1973 by P.L. 92-345, then to July 1, 1974 by P.L. 93-53), the 40 percent for special projects was to be added to the states' formula grants, with the result that 90 percent would be allocated directly to the states through the formula grant programs. However, states were required to include in their Title V plans, provisions for conducting activities similar to those previously authorized under these special programs. The ten percent allocated to research and training continues to be awarded by the Department through project grants.

## HEALTH INSURANCE FOR THE ELDERLY AND HANDICAPPED (MEDICARE)

### A. Overview

Title XVIII of the Social Security Act (the Medicare program) authorizes health insurance benefits for eligible elderly and handicapped persons. Under Medicare, direct payments are provided for medical services on behalf of eligible participants. The program is Federally financed and administered by the U.S. Department of Health and Human Services, with local administration carried out through fiscal intermediaries, usually private health insurance companies.

Title XVIII of the Social Security Act is divided into three parts. Part A authorizes hospital insurance benefits, while Part B provides for supplemental medical insurance benefits. Part C of Title XVIII contains miscellaneous provisions, including definitions of terms

and coverage parameters for persons suffering from end stage renal disease.

Basic eligibility for Medicare benefits is extended to persons over age 65 who qualify for social security benefits. The following categories of handicapped persons, however, also are eligible for Medicare coverage under certain conditions:

(1) Disabled workers who have met the Social Security contribution requirements prior to the onset of their disability and no longer are capable of engaging in substantial gainful activity;

(2) Persons severely disabled during childhood who are the dependents of persons eligible for Social Security benefits who have either died, retired or are themselves eligible for disability benefits;

(3) Disabled widows or widowers aged 50 and older; and

(4) Any individual suffering from end stage renal (kidney) disease.

**B. Major Programs Affecting the Handicapped**

1. *Hospital Insurance.* The Part A hospital insurance program reimburses participating hospitals, skilled nursing facilities and home health agencies for the reasonable cost of furnishing medically necessary inpatient and (limited) in-home services to eligible aged and disabled Medicare beneficiaries.

Inpatient hospital stays are covered for the first 60 days in a benefit period with a deductible paid by the beneficiary. A per diem coinsurance payment is also required for hospital stays from the 61st through the 90th day. A per diem coinsurance payment is required for care provided in a skilled nursing facility after the 20th day of a benefit period. Post-hospital home health care services are reimbursable in full for up to 100 visits per calendar year. FY 1980 (estimated) appropriations: $23.2 billion.

References: Part A, Title XVIII, Social Security Amendments of 1965, as amended. P.L. 89-97, P.L. 90-248, P.L. 92-603, P.L. 93-233, P.L. 94-182, P.L. 94-437, P.L. 95-210 and P.L. 95-292. U.S. Code: 42 U.S.C. 1395. C.F.D.A.: 13.773.

2. *Supplementary Medical Insurance.* The Part B supplementary medical insurance program is purchased by Medicare-eligible elderly and handicapped persons for a monthly premium. Part B pays for 80 percent of the reasonable charge, after a deductible has been met, for: doctor's services, outpatient hospital care, out-patient physical therapy and speech pathology services, home health visits not covered under Part A, outpatient surgery, X-rays, prescription drugs that cannot be self-administered, and certain services of

chiropractors and podiatrists. If the practitioner does not accept the Medicare reasonable charge, beneficiaries are required to pay additional costs above 80 percent of the reasonable charge for that particular service. FY 1980 (estimated) appropriations: $9.6 billion.

References: Part B, Title XVIII, Social Security Amendments of 1965, as amended. P.L. 89-97, P.L. 90-248, P.L. 92-603, P.L. 93-233, P.L. 94-182, P.L. 94-437, P.L. 95-210 and P.L. 95-292. U.S. Code: 42 U.S.C. 1395. C.F.D.A.: 13.774.

4. *Renal Disease Program.* Under the end-stage renal (kidney) disease program, Medicare coverage is provided to individuals under age 65 for the cost of services and supplies furnished in connection with the treatment of chronic end-stage renal disease. (Renal disease patients age 65 and over are protected under the regular Medicare program.)

Generally, coverage includes inpatient hospital costs of dialysis and kidney transplants, the cost of physician services, out-patient hospital services and other out-of-hospital medical services and supplies.

References: Part C, Title XVIII, Social Security Act of 1965, as amended. P.L. 92-603, and P.L. 95-292. U.S. Code: 42 U.S.C. 1395.

**C. Legislative History**

The Social Security Amendments of 1965 (P.L. 89-97) established the Medicare program under a new Title XVIII. In 1967, amendments to the Act (P.L. 90-248) directed the Secretary of Health, Education, and Welfare to establish an advisory council to study the question of providing health insurance for disabled Social Security beneficiaries. The Advisory Council was to report its findings and recommendations to the Secretary by January 1, 1969.

Under the Social Security Amendments of 1972 (P.L. 92-603), Medicare coverage was authorized for disabled Social Security beneficiaries after they fulfilled a 24-month waiting period. The 1972 amendments also extended Medicare reimbursement to persons under 65 years of age who were suffering from chronic end-stage renal disease. In 1978, the Title XVIII renal disease program was revised (P.L.) 95-292) to authorize cost-saving incentives and more flexibility in utilizing different modes of treatment for renal disease, kidney dialysis and transplantation.

In 1977, the Rural Health Clinics Act (P.L. 95-210) amended Title XVIII to permit Medicare reimbursement for nonphysician directed services provided through rural health clinics. Rural health clinics may be headed by a physician assistant or nurse practitioner; however, they must have arrangements for referral and periodic review

with a local physician and a nearby hospital. The clinics must provide services primarily on an outpatient basis.

## GRANTS TO STATES FOR MEDICAL ASSISTANCE (MEDICAID)

### A. Overview

Title XIX of the Social Security Act contains the statutory authority for the federal-state Medical Assistance program, or, as it is better known, the Medicaid program. Initially authorized under the Social Security Act of 1965, the original statutory goal of the program was to improve the accessibility and quality of medical care for all low income Americans.

Although the 1965 legislation contained no special provisions related to handicapped persons, in recent years Medicaid has emerged as a primary source of funding for services to severely disabled individuals both because the incidence of disability is higher among low-income groups and due to subsequent amendments to the Act which added specialized benefits for institutionalized mentally ill and mentally retarded persons.

Eligibility for medical assistance is based on financial need. Handicapped individuals may be eligible, if they meet the following general criteria for participation:

(1) *Categorically needy.* States *must* cover: (a) all persons receiving cash benefits under Title IV-A of the Social Security Act (Aid to Families with Dependent Children); and (b) either all persons receiving cash benefits under Title XVI of the Act (Supplemental Security Income) or, at least, those who meet additional, more restrictive Medicaid-eligible conditions set by the particular state.

(2) *Medically needy.* In addition to categorically needy persons, states may elect to cover, under their Medicaid plans, certain groups of individuals whose incomes are higher than the SSI or AFDC maximums, but who cannot afford needed medical assistance. A separate income level is established for these "medically needy" groups.

### B. Major Programs Affecting the Handicapped

Medicaid provides each participating state with broad flexibility to design a Medical assistance program which meets the needs of its citizenry; as a result, Medicaid programs differ markedly from state to state. Federal grant-in-aid funding is available to match state expenditures for medical care on behalf of eligible clients, as specified under an HEW-approved state plan. The Federal share of reimbursable costs range from 50 percent to 78 percent, according to a

formula which takes into account the state's relative per capita income. FY 1980 (estimated) appropriations: $12.6 billion.

States are mandated under Title XIX to provide the following services to categorically-needy Medicaid recipients without charge: (a) inpatient hospital services (except services in a mental hospital or tuberculosis facility); (b) outpatient hospital services; (c) laboratory and X-ray services; (d) skilled nursing facility and home health services for individuals over 21 years of age; (e) physician services; (f) early periodic screening, diagnosis and treatment (EPSDT) services for individuals under age 21; (g) family planning services; and (h) certain rural health clinic services.

States may limit the amount, duration and scope of such mandated services (i.e., limits on the number of days in a hospital or visits by a home health aide), as long as adequate care is provided. In addition, states are required to provide: (a) arrangements to assure that recipients can get to and from needed medical services; (b) freedom of choice for recipients among qualified providers of care; and (c) access to health services on a statewide basis.

States are permitted to offer the following types of optional services, provided they are specified in the state plan: (a) private duty nursing services; (b) clinic services; (c) dental services; (d) physical therapy, occupational therapy and treatment for speech, hearing and language disorders; (e) prescribed drugs, dentures, prosthetic devices, and eyeglasses; (f) other diagnostic, screening and rehabilitative services; (g) inpatient hospital services, and skilled nursing facility services; (h) intermediate care facility services, including specialized ICF services for the mentally retarded; (i) inpatient psychiatric services for individuals over age 65 and under age 21; and (j) any other type of medical or remedial care recognized under state law and approved by the Secretary of Health and Human Services.

References: Title XIX, Social Security Act Amendments of 1965, as amended. P.L. 89-97; P.L. 90-248; P.L. 91-56; P.L. 92-223; P.L. 92-603; P.L. 93-66; P.L. 93-233; P.L. 93-368; P.L. 94-182; P.L. 95-142; and P.L. 95-210. U.S. Code: 42 U.S.C. 1396. C.F.D.A.: 13.714.

**C. Legislative History**

The 1965 amendments to the Social Security Act (P.L. 89-97) added a new Title XIX to the Act, authorizing grants-in-aid to states for the establishment of medical assistance programs. Now known as Medicaid, this program expanded the previous "Kerr-Mills" program of medical aid for needy aged, blind, and disabled persons and dependent children. Medicaid was aimed at individuals

receiving public assistance, but also permitted states to extend coverage to groups above the poverty level, or the "medically" needy. The initial statutory goal of the program was to initiate, in all participating states, a program of comprehensive health care for needy persons. This included statutory authority for Federal assistance to needy aged persons residing in mental (and mental retardation) or tuberculosis institutions (provided at the state's option).

In the context of the 1965 amendments, the provisions establishing the Medicaid program were devised as a complement to Title XVIII, the statutory authority for the Medicare program (see discussion on page 40). Medicaid (Title XIX), however, differed from Medicare (Title XVIII) in the following fundamental ways: (1) Medicare was an insurance program, under which recipients were to be eligible only if they had contributed to Social Security; Medicaid, on the other hand, was intended as a program for individuals receiving federal cash assistance or other financially needy persons; (2) Medicare was to be administered and funded entirely by the Federal government; Medicaid was to be administered by the states and funded jointly by Federal and State contributions; and (3) states were to have the option of covering a broader range of medical services under Medicaid than was the case under Medicare.

In an effort to curb the Medicaid program's rapidly escalating costs, Title XIX was amended in 1967 (P.L. 90-248) by adding provisions which: (1) restricted the conditions under which the Federal government would participate in the cost of services to medically needy recipients; (2) specified required and optional services; (3) permitted recipients freedom of choice among qualified providers; (4) required standards of care in skilled nursing facilities; (5) mandated reviews of the utilization of medical services under Title XIX; and (6) required participating states to offer early and periodic screening, diagnosis and treatment services to all Medicaid-eligible children.

In 1971, amendments to Title XIX (P.L. 92-223) authorized Medicaid reimbursement for intermediate care facility services. Prior to 1971, ICF services were reimbursed under Title XI of the Act. ICF services were statutorily defined as services designed to meet the needs of individuals ". . . who do not require the degree of care and treatment which a hospital or skilled nursing facility is designed to provide, but who because of their mental or physical condition require care and services (above the level of room and board) which can be made available to them only through institutional facilities . . ."

P.L. 92-223 also amended the Act to authorize public institutions for the mentally retarded to be certified as intermediate care facilities, under the following conditions: (1) the primary purpose of the institution, or distinct part thereof, was the provision of health and rehabilitative services to the mentally retarded; (2) institutional residents participating in the program were receiving "active treatment"; (3) the facility was in compliance with standards prescribed by the Secretary of HHS; and (4) the states were maintaining their prior level of state-local fiscal support for facilities certified as ICF/MR's. P.L. 92-223 also required the states to conduct Independent Professional Reviews of the quality and appropriateness of services to residents in ICF facilities.

In 1972, reimbursements under Medicaid were extended to inpatient care for otherwise eligible mentally ill children, under 21 years of age, in public and private psychiatric facilities. In order to qualify, the facility had to be: (a) providing active treatment programs for all eligible children; and (b) be accredited by the Joint Commission on the Accreditation of Hospitals. In addition, participating states were required to maintain at least their prior level of expenditures on behalf of such children.

Numerous other major and minor amendments to Title XIX have been approved by Congress since 1965; however, the above-mentioned changes constitute the ones most directly relevant to services and benefits for handicapped persons.

## COMMUNITY MENTAL HEALTH CENTERS ACT

### A. Overview

The Community Mental Health Centers Act of 1963, as amended, is an important source of Federal support for services to mentally ill children and adults. These centers provide direct care, on an inpatient and outpatient basis, as well as consultation to other local agencies who may come in contact with mentally ill persons. They promote general public awareness of programs relating to mental health and the availability of services. Centers also are expected to provide specialized mental health services for children or the elderly.

Eligibility for services is based on residence in a center's defined "catchment" area. Centers funded under the Act may be public or non-profit entities; and are authorized to charge fees for services, based on a client's ability to pay.

**B. Major Programs Affecting the Handicapped**

The Community Mental Health Centers Act authorizes a series of grants for planning, establishing, staffing and maintaining the operation of centers designed to offer comprehensive mental health services to citizens in a geographically-defined catchment area. Each center is required to provide the following services: (1) inpatient, outpatient, and emergency mental health services; (2) assistance to courts and other public agencies in screening residents of the center's catchment area who are being considered for referral to a state mental health facility for inpatient treatment, to determine if they should be referred there, or if they could be treated through the center as an alternative to institutionalization; and (3) follow-up care for residents of its catchment area who have been discharged from inpatient treatment at a mental health facility.

Community mental health centers also are required to provide consultation and education services which: (1) cater to a wide range of individuals and entities involved with mental health services, including health professionals, schools, courts, state and local law enforcement and correctional agencies, members of the clergy, public welfare agencies, and health services agencies; and (2) include a wide range of activities (other than direct clinical services) designed to develop effective mental health programs in the center's catchment area, coordinate the provision of mental health services among various entities serving the center's catchment area, increase awareness of the nature of mental health problems and the types of services available, and promote the prevention and control of rape and the proper treatment of rape victims.

New community mental health centers have three years to develop the above programs. After that period, a center is expected to establish: (1) day care and other partial hospitalization services; (2) a program of specialized services for the mental health of children, including a full range of diagnostic, treatment, liaison and follow-up services; (3) a similar program of specialized services for elderly persons; (4) a program of transitional halfway houses to assist deinstitutionalized mental patients or individuals who otherwise would be placed in a mental institution; and (5) programs for the prevention, treatment and rehabilitation of alcohol and drug abusers, in areas where such services are needed.

FY 1980 appropriations: $178.7 million for initial operation grants, $11.9 million for consultation and education activities, $1.8 million for converting to newly required services, and $2.2 million for grants to financially distressed centers.

References: Community Mental Health Centers Act of 1963, as amended. P.L. 88-164, P.L. 89-105, P.L. 90-31, P.L. 91-211, P.L. 93-45, P.L. 94-63, and P.L. 95-622. U.S. Code: 42 U.S.C. 2681. C.F.D.A.: 13.925.

**C. Legislative History**

The Community Mental Health Centers Act originally was authorized under Title II of the Mental Retardation Facilities and Community Mental Health Centers Act of 1963 (P.L. 88-164). The 1963 Act authorized grants to states to assist in the construction of public or nonprofit community mental health centers. The facilities were to house service programs aimed at the prevention or diagnosis of mental illness, care and treatment of mentally ill persons, and rehabilitation of persons recovering from mental illness. Allotments of funds to the states were based on a formula that took into account the state's relative population, need for mental health services and financial need.

In 1965, amendments to the Act (P.L. 89-105) authorized a program of grants to cover the costs of staffing community mental health centers with technical and professional personnel, during the first 51 months of operations. The 1967 amendments (P.L. 90-31) extended the authority for construction and initial staffing grants through fiscal 1970, and permitted funds to be used for the acquisition and/or renovation of existing buildings to serve as centers.

The Community Mental Health Centers Amendments of 1970 (P.L. 91-211) provided for a three-year extension of construction and staffing grants. P.L. 91-211 also contained a new project grant program to allow centers to provide mental health services to children. The Federal share of funding for construction was raised to two-thirds in nonpoverty areas and 90 percent in poverty areas. The maximum duration of staffing grants was extended to eight years, with a declining level of Federal aid ranging from 80 percent funding in the first two years to 30 percent in the sixth through the eighth years.

Title III of the Special Health Revenue Sharing Act of 1975 (P.L. 94-63) significantly revised and expanded the Community Mental Health Centers Act. Applicants for grants under the Act were required to plan for and provide a comprehensive range of mental health services. P.L. 94-63 restructured the financing of centers by expanding grant programs for construction and staffing to the following six types of grants: (1) grants to help public and nonprofit agencies plan for the development of community mental health centers; (2) initial operation grants to assist public or nonprofit centers in meeting the start-up costs associated with running a

center, for a maximum period of eight years (with a declining Federal share over the period); (3) consultation and education grants to centers; (4) conversion grants to provide Federal assistance to existing centers for expanding their services to meet the comprehensive services mandate; (5) financial distress grants for centers in danger of having to reduce the types or quality of services provided due to the termination of staffing and operating grants; and (6) facilities grants to states for purchasing, renovating, leasing and equipping community mental health centers and for the construction of centers serving poverty areas.

In 1978, amendments to the Centers Act (P.L. 95-622) eased the requirements for the provision of comprehensive services, by allowing centers to develop their programs in two stages. To open, centers were required to provide: (1) inpatient, outpatient and emergency services; (2) assistance in determining the need to institutionalize an individual; (3) follow-up care for deinstitutionalized mental patients; and (4) consultation and education services. After three years of operation, centers had to be prepared to provide a comprehensive array of community mental health services.

## NATIONAL RESEARCH INSTITUTES

### A. Overview

Title IV of the Public Health Service Act authorizes a broad array of biomedical research activities, many of which directly or indirectly relate to the diagnosis, treatment and prevention of various types of disabling conditions. Generally, the national research institutes established under Title IV provide:

(1) for the conduct of intramural research in Federal government laboratories;

(2) support for extramural research conducted in universities, hospitals and research institutions across the United States and abroad;

(3) assistance to nonprofit institutions to build and equip biomedical research facilities;

(4) support for training of career research scientists; and

(5) ways to communicate biomedical information to scientists, health practitioners and the general public.

**B. Major Programs Affecting the Handicapped**

1. *Arthritis, Rheumatism, Diabetes and Other Metabolic Diseases.* The National Institute on Arthritis, Metabolism, and Digestive Diseases, authorized under Part D of Title IV, conducts research related to: (1) arthritis, bone and skin diseases; (2) diabetes, endocrinology and metabolism; (3) digestive diseases and nutrition; and (4) kidney diseases, urology and hematology.

References: Part D, Title IV, Public Health Service Act, as amended. P.L. 89-692, P.L. 92-305, P.L. 93-354, P.L. 93-640, P.L. 94-562, and P.L. 95-83. U.S. Code: 42 U.S.C. 289c. C.F.D.A.: 13.846, 13.847, 13.848, and 13.849.

2. *Neurological and Communicative Disorders and Stroke.* The National Institute of Neurological and Communicative Disorders and Stroke, authorized under Part D of Title IV, provides grants and contracts for research into: (1) communicative disorders; (2) neurological disorders; (3) stroke and nervous system trauma; and (4) the fundamental neurosciences. The study of epilepsy, cerebral palsy and multiple sclerosis are included in the statutory purposes of this Institute. FY 1980 appropriations: $243 million.

References: Part D, Title IV, Public Health Service Act, as amended. P.L. 89-239, P.L. 93-348, P.L. 94-278 and P.L. 95-83. U.S. Code: 42 U.S.C. 289a. C.F.D.A.: 13.851, 13.852, 13.853 and 13.854.

3. *Child Health and Human Development.* The National Institute of Child Health and Human Development, authorized under Part E of Title IV, conducts biomedical and behavioral research studies into conditions related to mental retardation and other developmental disabilities, Sudden Infant Death Syndrome, and other conditions related to child growth and development, including maternal and infant care. FY 1980 appropriations: $209 million.

References: Part E, Title IV, Public Health Service Act, as amended. P.L. 87-838, P.L. 91-572, P.L. 93-270, P.L. 94-278 and P.L. 95-83. U.S. Code: 42 U.S.C. 289d. C.F.D.A.: 13.864 and 13.865.

4. *National Eye Institute.* The National Eye Institute, authorized under Part F of Title IV, supports research into: (1) retinal and choroidal diseases; (2) corneal diseases; (3) cataracts; (4) glaucoma; and (5) sensory and motor disorders of vision. FY 1980 appropriations: $113 million.

References: Part F, Title IV Public Health Service Act, as amended. P.L. 90-489, P.L. 94-278 and P.L. 95-83. U.S. Code: 42 U.S.C. 289i. C.F.D.A.: 13.867, 13.868, 13.869, 13.870 and 13.871.

NOTE. Other research programs are being conducted by the National Cancer Institute, National Heart, Lung and Blood Institute,

National Institute of Allergies and Infectious Diseases, and the National Institute of General Medical Sciences.

### C. Legislative History

The Public Health Service Act of 1944 (P.L. 78-410) provided an initial structure for research into a number of diseases and health problems confronting the nation. Title IV of the Act established several national research institutes. In 1948, the National Heart Act (P.L. 80-655) amended the Public Health Service Act to support specific research and training into diseases of the heart and circulatory system.

In 1950, the PHS Act amendments (P.L. 81-962) provided for research and training into questions relating to arthritis and rheumatism, multiple sclerosis, cerebral palsy, epilepsy, poliomyelitis, blindness, leprosy and other diseases. The National Institute of Child Health and Human Development and the National Institute for General Medical Sciences were established under 1962 amendments to the Act (P.L. 87-838).

More recent amendments to the Public Health Service Act related to research activities have included: (1) the National Diabetes Mellitus Research and Education Act of 1974 (P.L. 93-354); (2) the National Arthritis Act of 1974 (P.L. 93-640); (3) the National Research and Health Services Amendments of 1976 (P.L. 94-278); (4) the Arthritis, Diabetes, and Digestive Diseases Amendments of 1976 (P.L. 94-562); and (5) the Health Services Programs Extension Act of 1977 (P.L. 95-83).

## OTHER HEALTH PROGRAMS AND SERVICES

### A. Overview

The Public Health Service Act is a major, long-standing source of federal support for basic health care services. Handicapped citizens benefit from both the Act's support of general preventive health services, and the specialized programs targeted at ameliorating diseases and conditions which may lead to illness or disability.

### B. Major Programs Affecting the Handicapped

1. *Prevention.* Prevention activities authorized under the Public Health Service Act which relate most directly to handicapping conditions include: (a) control of communicable diseases that lead to disability; (b) prevention of lead-based paint poisoning, which can cause mental retardation; (c) screening and counseling for genetic

diseases that may result in disability at birth; (d) hemophilia treatment centers; and (e) physical fitness.

a. *Control of Communicable Diseases.* Section 317 and 318 of the Act authorize project grants to state health authorities to support the control, through immunization and other activities, of diseases or conditions amenable to reduction. Targeted diseases or conditions include: tuberculosis, rubella, measles, poliomyelitis, diphtheria, tetanus, pertussis, mumps, venereal disease, and other communicable diseases, as well as arthritis, diabetes, hypertension, pulmonary diseases, cardiovascular diseases and RH disease. FY 1980 appropriations: $65.5 million.

References: Title III, Public Health Service Act, as amended. P.L. 92-449, P.L. 94-317, and P.L. 95-626. U.S. Code: 42 U.S.C. 247b-c. C.F.D.A.: 13.268.

b. *Prevention of Lead-Based Paint Poisoning.* Section 316 of the Act authorizes project grants for the development of comprehensive lead-based paint poisoning prevention programs in local communities, and the establishment of state laboratory facilities for detecting and analyzing levels of lead in the environment. The program focuses on screening of children, follow-up services and protection from further exposure to lead sources. Lead poisoning has been shown to cause mental retardation and other health problems. FY 1980 appropriations: $10 million.

References: Title III, Public Health Service Act, as amended. P.L. 91-695, P.L. 93-151, P.L. 94-317, and P.L. 95-626. U.S. Code. 42 U.S.C. 4801. C.F.D.A.: 13.266.

c. *Genetic Diseases Research, Testing and Counseling Services.* Title XI, Part A, of the PHS Act authorizes project grants to establish and operate voluntary genetic testing and counseling programs. State and local public agencies and nonprofit organizations are eligible for the project grants. Services are aimed at high risk populations. F.Y. 1980 appropriations: $4 million.

Part A also authorizes grants and contracts to support basic research into understanding, diagnosing, treating and controlling genetic diseases. Funds are awarded to universities, hospitals, laboratories, other institutions, state and local government agencies, or certain individual researchers. Activities may include education, training and public awareness concerning genetic diseases, as well as the development of model testing and counseling programs. Priority may be given to applications for research into sickle cell anemia or Cooley's anemia. FY 1980 appropriations: $95.8 million.

References: Part A, Title XI, Public Health Service Act, as amended. P.L. 92-414, P.L. 92-294, P.L. 94-278 and P.L. 95-626. U.S. Code: 42 U.S.C. 300b. C.F.D.A.: 13.862 and 13.890.

d. *Hemophilia Treatment Centers.* Title XI, Part C of the PHS Act provides for project grants to state or local public agencies or nonprofit organizations to develop comprehensive diagnostic and treatment centers for persons with hemophilia. These centers are required to provide: (1) access to services for all individuals with hemophilia in the project's geographic "catchment" area; (2) personnel training; (3) programs of social, vocational and genetic counseling; (4) a written comprehensive care plan; and (5) training in home care. FY 1980 appropriations: $3 million.

References: Part C, Title XI, Public Health Service Act, as amended. P.L. 94-278 and P.L. 95-626. 42 U.S.C. 300c. C.F.D.A.: 13.296.

e. *Physical Fitness Improvement.* Title XVIII, Section 1708 of the Act authorizes project grants and contracts for physical fitness improvement. Funds may be awarded to public or private entities to conduct research and develop model projects. Projects may encompass communities, educational settings for specific age groups, or groups of handicapped individuals.

References: Title XVIII, Public Health Service Act, P.L. 95-626. U.S. Code: 42 U.S.C. 300u. C.F.D.A.: 13.289.

2. *Mental Health Programs.* Title III of the Public Health Service Act authorizes mental health research, training and statewide planning and service provision. Research and training programs under Section 301 and 303 of the Act include: (1) mental health research grants; (2) mental hospital improvement and staff development grants; (3) mental health clinical or service related training grants; and (4) mental health research personnel awards. FY 1980 appropriations: $236 million.

Formula grants to states for comprehensive mental health planning and services are authorized under Section 314(g) of the Act. State mental health plans are incorporated into the state's general health plan, developed under Title XV of the Act (see page 56). State mental health authorities are funded under the Act to perform the following functions: (1) develop and administer the state mental health plan; (2) prescribe and provide for the enforcement of minimum standards for the maintenance and operation of mental health facilities and programs, including community mental health centers; (3) provide assistance in screening persons who may be placed in mental institutions and follow-up services for discharged mental patients; and (4) develop a plan to prevent inappropriate

institutionalization, provide alternatives, and protect the interests of employees of institutions who may be affected by the decline in institutionalization. FY 1980 appropriations: $7.6 million.

Mental health programs are administered at the Federal level by the National Institute of Mental Health, established under Part G, Title IV of the Act.

References: Title III, Public Health Service Act, as amended. P.L. 88-164, P.L. 89-109, P.L. 91-211, P.L. 91-515, P.L. 94-63, and P.L. 95-622. U.S. Code: 42 U.S.C. 242. C.F.D.A.: 13.237, 13.238, 13.242, 13.244, 13.281, and 13.210.

3. *Ethical Considerations.* Title XVIII of the Act establishes the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research. Among the statutory aims of the Commission is the study of issues concerning handicapped persons, covering: (a) the protection of human subjects in research, including mentally incompetent and institutionalized persons; (b) the requirements for informed consent; and (c) the protection of privacy. Other issues to be studied by the Commission include: (a) defining "death"; (b) voluntary genetic testing and counseling; (c) differences in the availability of health services in regard to a person's income or location; and (d) confidentiality of records.

References: Title XVIII, Public Health Service Act. P.L. 93-348 and P.L. 95-622. U.S. Code: 42 U.S.C. 300v.

**C. Legislative History**

1. *Prevention.* Title III of the Public Health Service Act of 1944 (P.L. 78-410) established the general powers and duties of the Federal Public Health Service, including a number of prevention activities. The following amendments to the Act further enhanced the prevention functions of the Service:

a. In 1962, the Vaccination Assistance Act (P.L. 87-868) provided assistance to state and community health agencies to carry out intensive vaccination programs, particularly for preschool children, against polio, diphtheria, whooping cough and tetanus. The Act was later extended by the Communicable Disease Control Amendments of 1970 (P.L. 91-464), 1972 (P.L. 92-449), and 1976 (P.L. 94-317);

b. In 1970, the Lead-based Paint Poisoning Prevention Act (P.L. 91-695) was enacted to authorize Federal assistance to protect children from the debilitating effects of lead in their environment. The Act was later amended and extended in 1974 (P.L. 93-151), 1976 (P.L. 94-317) and 1978 (P.L. 95-626);

c. Research into the genetic or hereditary causes of Cooley's anemia and sickle cell anemia, and testing, counseling and treatment of these diseases were authorized in 1972 by the National Cooley's Anemia Control Act (P.L. 92-414) and the National Sickle Cell Anemia Control Act (P.L. 92-294);

d. The Health Research and Health Services Amendments of 1976 (P.L. 94-278) replaced the sickle cell anemia and Cooley's anemia programs with an expanded authority applicable to all genetic diseases, with priority retained for anemia projects. Amendments to the Act in 1978 (P.L. 95-626) expanded the description of genetic conditions covered under the Act to include mental retardation and other genetically-caused mental disorders;

e. P.L. 94-278 and P.L. 95-626 also provided for the establishment of hemophilia research and treatment centers; and

f. Programs administered by the former Office of Physical Fitness and Sports were transferred into a new Office of Health Information and Health Promotion by the Health Services and Centers Amendments of 1978 (P.L 95-626). Under the legislation, physical fitness programs were extended and revised to emphasize health promotion.

2. *Mental Health Programs*

Mental health research, training and statewide planning and services were originally authorized under Title III of the Public Health Service Act, as amended in 1946. The National Mental Health Act of 1946 (P.L. 79-487) provided for research relating to psychiatric disorders, and aid in the development of more effective methods of prevention, diagnosis and treatment of such disorders. The 1956 amendments to the Act (P.L. 84-911) authorized the training of mental health personnel.

State level mental health planning and services were added to Section 314(d) of the PHS Act by the Comprehensive Health Planning and Public Health Services Amendments of 1966 (P.L. 89-749). The legislation stipulated that fifteen percent of the funds appropriated for comprehensive health services under Section 314(d) were to be set aside for state mental health programs.

In 1965, amendments to Title III (P.L. 94-63) required state mental health authorities to submit deinstitutionalization plans and to perform other functions including standard-setting, screening clients before commitment to a mental institution, and follow-up services for discharged patients. The Community Mental Health Centers

Amendments of 1978 (P.L. 95-622) pulled state mental health planning and services out of Section 314(d) and established it as a separate authority under Section 314(g), with a separate funding authorization. The planning functions of state mental health authorities were expanded by provisions coordinating the mental health plan with the state health plan developed under Title XV of the PHS Act (see page 56).

3. *Commission on Ethical Issues in Medicine.* Reflecting the growing national concern over the adequacy of procedures for reviewing and monitoring research projects involving human subjects, especially mentally incompetent, institutionalized individuals, Congress, in 1974, established the President's Commission on Protection of Human Subjects of Biomedical and Behavioral Research. Authority for the Commission was contained in the National Research Act of that year (P.L. 93-348). The Commission was reauthorized and its mandate broadened under the Public Health Service Act Amendments of 1978 (P.L. 95-622). At that time the Commission was renamed the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research and its authority placed in a new Title XVIII of the PHS Act.

## HEALTH PLANNING AND RESOURCE DEVELOPMENT

### A. Overview

Titles XV and XVI of the Public Health Service Act establish a national program to stimulate improved health planning and resource development. These planning and development activities are aimed at the orderly and cost effective growth of institutional and non-institutional health care services in the United States. The main goals of the program are to: (1) improve the health of American citizens; and (2) increase accessibility (including overcoming geographic, architectural and transportation barriers), acceptability, continuity and quality of health services. In addition to addressing the general health care needs of all Americans, the mechanisms and programs authorized under Title XV and XVI of the Act are intended to deal with the special health and related service needs of handicapped children and adults.

### B. Major Programs Affecting the Handicapped

1. *State and Areawide Health Planning.* Under Title XV of the Act, project grants are awarded to specially designated state and areawide health planning agencies to carry out health planning activities. This planning effort is aimed at addressing problems in health care delivery, such as the maldistribution of facilities and personnel and

the rapidly escalating cost of health care. Each Health Systems Agency and State Health Coordinating Council, designated under the Act, must develop and maintain an areawide or state health plan, which meets minimum specifications set forth in the legislation and implementing Federal regulations. In addition, the state and local health planning agencies are required to perform "certificate of need" reviews for all proposed new or expanded institutional health care facilities, including facilities certified as Medicaid or Medicare providers. The purpose of these reviews is to assure that a need exists for additional health facilities in the particular geographic catchment area. FY 1980 appropriations: $30 million for state-level planning and $115 million for area Health Systems Agencies.

References: Title XV, Public Health Service Act. P.L. 93-641. U.S. Code: 42 U.S.C. 300 (1-m). C.F.D.A.: 13.293 and 13.294.

2. *Medical Facilities Modernization Loans.* Part C of Title XVI authorizes direct Federal loans and guaranteed mortgage loans to cover the costs of constructing medical facilities in areas where additional inpatient and outpatient facilities are needed due to rapid population growth, and to modernize existing medical facilities in other parts of the country. State and local governments and other entities having bonding authority are eligible for direct loans. Private nonprofit organizations are eligible for guaranteed loans. Funds may be used for expanding, remodeling, or replacing facilities; however, all such projects must have received the prior approval of the responsible state and local health planning agencies. FY 1980 appropriations: $48.9 million.

References: Part C, Title XVI, Public Health Service Act, P.L. 93-641. U.S. Code: 42 U.S.C. 300q. C.F.D.A.: 13.253.

3. *Medical Facilities Construction.* Project grants are authorized under Title XVI, Part D, for construction and modernization of medical facilities and to assist in the prevention or elimination of safety hazards in publicly-owned or operated medical facilities. Grants may also be made to help facilities come into compliance with licensure or accreditation standards. Awards are made to public or quasi-public agencies, or organizations owning or operating medical facilities. This program was not funded in FY 1980.

References: Part D, Title XVI, Public Health Service Act, P.L. 93-641. U.S. Code: 42 U.S.C. 300r. C.F.D.A.: 13.887.

**C. Legislative History**

Planning and resource development has been an important activity under the Public Health Service Act since 1946. The Hospital

Survey and Construction Act of 1946 (P.L. 79-725) provided assistance to help the states both determine the need for new hospitals and develop hospital construction programs. States which applied for funds were required to establish a state advisory council to consult with the state agency responsible for surveying and building hospitals.

The Comprehensive Health Planning and Public Health Service Amendments of 1966 (P.L. 89-749) significantly expanded the national focus on comprehensive health planning activities. P.L. 89-749 authorized grants to the states for comprehensive planning, with allotments based on population and per capita income. The 1966 amendments also provided for project grants to support: (1) area-wide health planning; (2) health services development; (3) training studies; and (4) demonstration projects.

This comprehensive health planning authority was revised and extended by amendments to the Public Health Service Act in 1967 (P.L. 90-147), 1968 (P.L. 90-574), 1970 (P.L. 91-515), and 1973 (P.L. 93-45).

The National Health Planning and Resource Development Act of 1974 (P.L. 93-641) consolidated the former comprehensive health planning and regional medical programs under a new Title XV of the Public Health Service Act. Health planning agencies, for the first time, were given authority to enforce their plans through a regulatory mechanism called "certificate of need." Under the 1974 Act, all proposed new construction of health facilities or addition of services was to be subject to prior review and approval by state and local health planning agencies. These planning agencies were also given a role in approving Federal health and mental health grants, contracts, loans and loan guarantees made under the Public Health Service Act and the Community Mental Health Centers Act.

P.L. 93-641 also: (1) established a nationwide network of public and nonprofit agencies called Health Systems Agencies (HSA) to be responsible for health and mental health planning and resource development in specified geographic areas; (2) required the states to create State Health Planning and Development Agencies to perform health planning and development functions. These agencies, in turn, were to receive advice from State Health Coordinating Councils; (3) established a National Health Planning and Information Center; (4) created a National Advisory Council on Health Planning and Development to advise the Secretary of HHS; and (5) authorized Federal aid to the states for health planning and development.

Federal involvement in the construction of health facilities also began with the passage of the Hospital Survey and Construction Act of 1946 (P.L. 79-725), the "Hill-Burton" Act. The Act authorized grants to assist states in the construction of public and nonprofit hospitals. In 1964, the Hill-Harris Hospital and Medical Facilities Amendments (P.L. 88-443) consolidated and revised the 1946 legislation relating to hospital and medical facility development. The 1964 amendments also authorized grants to state agencies for the construction of public or nonprofit facilities for long term care, diagnostic or treatment centers, and rehabilitation facilities.

The Medical Facilities Construction and Modernization Amendments of 1970 (P.L. 91-296) authorized grants, loan guarantees and direct loans for the construction and modernization of hospitals and other medical facilities. The amendments also permitted grant funds to be used to construct or modernize emergency rooms in general hospitals and for the evaluation of health programs.

The Health Planning and Resource Development Act of 1974 (P.L. 93-641) once again revised health facilities construction and modernization programs and authorized funding for developing new health resources. These programs were reorganized under a new Title XVI of the Public Health Service Act. Under the 1974 legislation, the statutory requirements of Title XVI were coordinated with the health planning provisions of Title XV.

## MILITARY MEDICAL BENEFITS ACT (CHAMPUS)

The Military Medical Benefits Act Amendments of 1966 (P.L. 89-614) expanded health care benefits for dependents of active duty members of the uniformed services (the Army, Navy, Marine Corps, Air Force, Coast Guard and the commissioned corps of the Public Health Service). Among the expanded benefits of the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) was coverage for certain services to handicapped dependents.

Under the CHAMPUS Program for the Handicapped, the spouse or child of an active duty member is eligible for services if he or she has a serious physical handicap or is moderately to severely mentally retarded. The dependent's condition, however, must: (1) be expected to result in death; have lasted for 12 months and be expected to last for at least another 12 months; and (2) keep the individual from engaging in substantially productive activity of daily living expected of unimpaired individuals in the same age group.

The Program for the Handicapped covers the following health and education-related costs: (1) diagnosis; (2) inpatient, outpatient, and

home treatment; (3) training, rehabilitation and special education; and (4) institutional care in public and private nonprofit institutions and facilities, and transportation to and from such facilities when necessary.

The law provides for a sliding scale of monthly deductibles payable by the active duty member, based upon his or her pay grade. Those in the lowest enlisted pay grade are required to pay the first $25 each month of expenses incurred by their dependents. Four star generals and admirals are similarly required to pay the first $250 each month. All other active duty members with participating dependents pay amounts in between these statutory limits, as determined by the Secretary of Defense. However, CHAMPUS will not pay benefits under the Program for the Handicapped when public resources are available to the handicapped dependent in the same manner and to the same extent as any other citizen of the local community or state.

The Program for the Handicapped was established because of the recognition that payment for the special needs of mentally retarded and physically handicapped dependents is frequently such a drain on the financial resources of the serviceman that it prevents him from maintaining an acceptable standard of living. In addition, handicapped dependents of servicemen on active duty may not qualify for public programs because they do not meet residency requirements.

In 1971, amendments to the Act (P.L. 92-58) extended benefits under the Program for the Handicapped to an unmarried child, under age 21, of a deceased service member who died while eligible for hostile fire pay or from a disease or injury incurred while eligible for such pay.

References: Military Medical Benefits Act, as amended. P.L. 89-614 and P.L. 92-58. U.S. Code: 10 U.S.C. 55.

# HOUSING

## UNITED STATES HOUSING ACT OF 1937

### A. Overview

The Housing Act of 1937, as amended, authorizes two programs that may be used to assist handicapped and elderly persons obtain suitable living accommodations. Section 8 of the Act provides for a program of direct housing assistance payments, or rent subsidies, on behalf of low-income families. The basic statutory aim of the so-called Lower Income Housing Assistance program is to help economically disadvantaged families obtain "a decent place to live" and to promote "economically mixed housing."

Section 7 of the Act authorizes congregate housing services for elderly and handicapped persons. Congregate housing services are defined as a combination of residential shelter and social services, such as meals, housekeeping assistance, and help with grooming and personal hygiene.

### B. Major Programs Affecting the Handicapped

1. *Rent Subsidies:* The Lower Income Housing Assistance program authorizes direct payments to participating private home owners and public housing agencies in return for furnishing decent, safe and sanitary housing for certain low income families. Housing assistance payments are used to make up the difference between the maximum approved "fair market" rent for the dwelling unit and the occupant family's net income. Assisted families are required, by law, to contribute between 15 and 25 percent of their adjusted family income toward rent. As defined in the Act, the term "lower income family" includes single handicapped persons. The term "handicapped" refers to persons who have an impairment which: (1) is expected to be of long-continued and indefinite duration; (2) substantially impedes his or her ability to live independently; and (3) is of such a nature that the person's abilities could be expected to be improved by more suitable housing conditions.

The Section 8 program is aimed not only at the need to increase the rent-paying capacity of low-income families, but also to stimulate the production and rehabilitation of low-income housing. Section 8 assistance is administered as four separate, but parallel programs, according to the following types of housing: (1) existing housing; (2) privately developed new or substantially rehabilitated housing; (3) publicly developed new or substantially rehabilitated housing; and (4) new state agency-sponsored housing developments, for which Section 8 set-asides are allocated. FY 1980 appropriations: $1.1 billion.

References: Housing Act of 1937, as amended. P.L. 93-383, P.L. 94-375, and P.L. 95-557. U.S. Code: 42 U.S.C. 1437f. C.F.D.A.: 14.156.

2. *Congregate Housing.* The Section 7 congregate housing services program is aimed at enabling functionally impaired persons to remain substantially independent, within their own residences, and thus avoid unnecessary institutionalization. The program provides for 3-to-5 year contracts with local public housing authorities or Section 202 elderly/handicapped housing sponsors. Contractors are responsible for furnishing otherwise unavailable social services to frail elderly and handicapped tenants. A full food service program (at least two meals per day, seven days per week) is the minimum service which a contractor must provide; however, the sponsor is given flexibility in developing other social services designed to meet the needs of impaired tenants.

Applicants serving nonelderly handicapped persons are obliged to consult with agencies responsible for serving the handicapped, including vocational rehabilitation agencies, developmental disabilities councils, and state mental health/mental retardation agencies. FY 1980 appropriations: $10 million.

References: Housing Act of 1937, as amended. P.L. 91-609, P.L. 93-383, and P.L. 95-557. U.S. Code: 42 U.S.C. 1437e.

### C. Legislative History

1. *Rent Subsidies.* The first attempt to federally subsidize families in privately owned and managed housing came under Section 23 of the Housing Act of 1965 (P.L. 89-117), the so-called Leased Housing Program. This program allowed local housing authorities to lease apartment units available in the private housing market. Eligible low-income families were placed in these units and the federal government paid the difference between the monthly rent and 25 percent of the family's adjusted income.

The Housing and Community Development Amendments of 1974 (P.L. 93-383) expanded the Section 23 program into a new Lower Income Assistance program, established as Section 8 of the Housing Act of 1937 (P.L. 75-412). The 1974 amendments defined "low-income families," for purposes of Section 8, to include families consisting of single persons who were disabled as defined in Section 223 of the Social Security Act, or Section 102 of the Developmental Disabilities Act. Families were also defined to include two or more elderly, disabled or handicapped individuals living together, or one or more persons living with another determined to be essential to their care and well being.

The Housing Authorization Act of 1976 (P.L. 94-375) prohibited rent subsidy payments under Section 8 from being counted as income in determining whether an aged or handicapped person was eligible for Supplemental Security Income benefits. This provision was intended to prevent certain needy elderly and handicapped persons from suffering a reduction in their SSI benefits when they move into a Federally-assisted housing project.

The Housing and Community Development Amendments of 1978 (P.L. 95-9557) authorized funds for "moderate rehabilitation" projects in Section 8-subsidized existing housing units. The new provisions scaled Fair Market Rents in rehabilitated units to the amount of the owner's investment in the project. In 1978, Section 7 of the Act was revised further (P.L. 95-557) to authorize direct federal support for the provision of congregate services to elderly and non-elderly disabled persons. Under the new language, HUD was permitted to enter into contracts with Section 202 housing sponsors and local public housing authorities for the provision of congregate housing services to such persons. These contractors were obligated to furnish otherwise unavailable social services, including meal services, to frail elderly and nonelderly disabled persons.

## HOUSING ACT OF 1949

### A. Overview

Title V of the Housing Act of 1949, as amended, authorizes direct and insured loans for the development and rehabilitation of rural housing. Handicapped persons were made eligible to participate in such rural housing programs under the Housing and Community Development Amendments of 1977 (P.L. 95-128).

Among several housing assistance programs authorized under Title V, the Rural Housing Loan program and the Rural Rental Assistance

Payments program offer the greatest potential benefits to handicapped persons.

For purposes of Title V programs, a person is considered handicapped if he or she is determined to have an impairment which: (1) is expected to be of long-continued and indefinite duration; (2) substantially impedes his or her ability to live independently; and (3) is of such a nature that such ability could be improved by more suitable housing conditions. A person is also considered to be handicapped if he or she has a developmental disability, as defined in the Developmental Disabilities Services and Facilities Construction Act of 1970.

**B. Major Programs Affecting the Handicapped**

1. *Rural Housing for Elderly and Handicapped Persons.* Section 515 of the Act authorizes guaranteed/insured loans to assist in the purchase, construction, improvement or repair of rental or cooperative housing for elderly and handicapped tenants in rural areas. Loans may be made to individuals, cooperatives, nonprofit organizations, trusts or partnerships. The proceeds of such loans may be used to finance: (a) the construction of congregate housing; (b) certain specially designed equipment required by handicapped persons, such as ramps, adjustable work surfaces and grab bars; and (c) certain related services or recreational facilities. FY 1980 appropriations: $868 million.

References: Title V, Housing Act of 1949, as amended. P.L. 89-754, P.L. 93-383, and P.L. 95-128. U.S. Code: 42 U.S.C. 1485. C.F.D.A.: 10.415.

2. *Rural Rental Assistance Payments.* Section 521 of the Act authorizes a program of direct subsidies to reduce the effective rents paid by low-income families, including elderly and handicapped families or individuals, residing in rural rental housing, rural cooperative housing or farm labor housing projects. The Section 521 rent subsidy program is patterned after the Section 8 housing assistance payments program (see page 61). Contracts are made with the housing project sponsor to subsidize the rents of eligible tenants, when 25 percent of their net income will not cover the rental cost of decent housing. FY 1980 appropriations: $393 million.

References: Title V, Housing Act of 1949, as amended. P.L. 90-448, P.L. 93-383, and P.L. 95-128. U.S. Code: 1490a. C.F.D.A.: 10.427.

**C. Legislative History**

The Housing Act of 1949 was amended by the Senior Citizens Housing Act of 1962 (P.L. 87-723). At that time, a new Section 515 was added to the Act to authorize rural rental loans for housing designed to meet the needs of elderly persons. Authority for a rural rental

assistance program was included in the Act under the Housing and Urban Development Act of 1968 (P.L. 90-448). Title V was expanded to cover handicapped persons by the Housing and Community Development Amendments of 1977 (P.L. 95-128). The 1977 amendments also extended the Section 515 loan program to cover congregate housing for elderly and disabled persons. Congregate housing was defined in P.L. 95-128 as facilities for elderly or handicapped persons requiring some supervision and centralized services, but who otherwise were capable of caring for themselves. Such housing was permitted to be used in conjunction with education and training facilities.

## HOUSING ACT OF 1959

### A. Overview

Section 202 of the Housing Act of 1959 authorizes direct loans for the construction or rehabilitation of rental (or cooperative) housing for elderly and handicapped persons. Under Section 202, the term "handicapped persons" is defined as persons having an impairment which (1) is expected to be of long-continued and indefinite duration; (2) substantially impedes his or her ability to live independently; and (3) is of such a nature that such ability could be improved by more suitable housing conditions. The definition also specifically includes developmentally disabled persons.

Elderly or handicapped "families" eligible to live in Section 202 projects may include: (1) two or more elderly or handicapped persons living together; and (2) one or more elderly or handicapped persons living with another person who is determined to be essential to his or her care or well-being. In addition to building or renovating the basic housing units, Section 202 direct loans may be used for certain related structures, designed to meet the specialized needs of elderly and handicapped persons, including: ". . . cafeterias or dining halls, community rooms or buildings, workshops or infirmaries or other inpatient or outpatient health facilities, or other essential service facilities."

### B. Major Programs Affecting the Handicapped

Section 202 authorizes long-term direct federal loans to private nonprofit corporations and consumer cooperatives to provide housing and related facilities (such as central dining rooms) for elderly and handicapped persons. Such loans may be used to finance the construction or rehabilitation of detached, semi-detached, row, walk-up or elevator-type structures. Households of one or more persons, the head of which is at least 62 years old or handicapped, are eligible to

live in such structures. In FY 1980, funding reservations for Section 202 loans totaled $840 million, of which approximately $50 million was allocated to housing projects designed to serve nonelderly handicapped persons.

References: Title II, Housing Act of 1959, as amended. P.L. 88-560, P.L. 93-383, P.L. 94-375, P.L. 95-128 and P.L. 95-557. U.S. Code: 12 U.S.C. 1701q. C.F.D.A.: 14.157.

**C. Legislative History**

Section 202 of the Housing Act of 1959 (P.L. 86-372) orginated as a program of direct loans to aid local, nonprofit agencies in furnishing appropriate housing for elderly individuals. The Housing Act of 1964 (P.L. 88-560) amended Section 202 to extend housing loans to projects for physically handicapped persons as well. The Housing and Community Development Act of 1974 (P.L. 93-383) further revised the Section 202 loan program to provide a substantially improved subsidy mechanism and a broader target population, encompassing both physically and mentally handicapped persons. Developmentally disabled individuals were explicitly included in the amended statutory definition of eligible "low income families."

The Housing Authorization Amendments of 1976 (P.L. 94-375) eliminate several additional barriers to participation by nonelderly handicapped persons. Changes made by the 1976 amendments included: (1) increased authorization levels for the program; (2) modification of the definition of "elderly or handicapped families" to permit certain additional groupings of such persons to qualify; and (3) provisions designed to lower the effective interest rates on Section 202 loans.

The Housing and Community Development Act of 1977 (P.L. 95-128) eliminated one further barrier to financing appropriate housing projects under Section 202, by eliminating the requirement that Section 202 project costs be tied to mortgage insurance program limits, established under Section 231. The 1977 amendments also mandated coordination and joint processing of applications for Section 202 loans and Section 8 rental assistance payments, in order to reduce the time required to process Section 202 projects.

The Housing and Community Development Amendments of 1978 (P.L. 95-557) mandated that a minimum of $50 million in FY 1979 Section 202 loan funds be set aside for the construction and rehabilitation of housing for nonelderly handicapped persons. These earmarked funds were to be used to "serve the unique needs of handicapped individuals between the ages of 18 and 62 or families with a handicapped member or members of any age." The statutory purpose

of these set-aside funds was to: (1) support innovative methods of meeting the needs of handicapped persons by providing a variety of housing options ranging from small group homes to independent living complexes; (2) provide handicapped occupants with an assured range of services and opportunities for optimal independent living and participation in normal daily activities; and (3) facilitate the access of handicapped persons to general community activities and to suitable employment within the community.

P.L. 95-557 also authorized the inclusion of expenses for movable furnishings in the development costs of a Section 202 project. Such costs could be covered by the loan, the legislation provided, if they were necessary to the basic operation of the project.

## HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

### A. Overview

The Housing and Community Development Act of 1974 authorizes the Community Development Block Grant program, a major source of Federal aid for urban areas. These block grants may be used to support a number of projects benefiting handicapped persons, including architectural barrier removal and construction of special public facilities. The needs of the handicapped also must be reflected in each locality's Housing Assistance Plan, a blueprint for developing appropriate housing for low-income families and individuals in the community.

### B. Major Programs Affecting the Handicapped

Title I of the Act authorizes formula grants to cities and urban counties which agree to perform a variety of housing and community development functions. Allocations are based on a statutory formula. Among the wide range of purposes for which a local jurisdiction may use Title I dollars are the following activities which may benefit handicapped persons: (a) the acquisition, construction, reconstruction or rehabilitation of public facilities, including centers for the handicapped; (b) special projects to remove architectural barriers; and (c) the provision of public services under certain restricted circumstances. In general, Title I funds may not be used to: (a) construct general government buildings, schools, hospitals, nursing homes and residential housing; (b) purchase equipment or transportation facilities; (c) cover operating and maintenance expenses (except for eligible public services); and (d) make income maintenance payments.

The basic CDBG application must include: (1) an identification of community development and housing needs, including both

short-term and long-term objectives; (2) a list of the activities to be undertaken; (3) an estimate of costs; (4) the general locations of all activities; (5) a description of other resources that will be utilized; (6) maps indicating any concentrations of minority groups or lower-income families; (7) a Housing Assistance Plan which includes a survey of the housing stock in the local jurisdiction, an estimate of the housing assistance needs of lower-income families, both one-year and three-year housing assistance goals, and the locations proposed for new construction or rehabilitation activities. FY 1980 appropriations: $2.7 billion.

References: Title I, Housing and Community Development Act of 1974, as amended. P.L. 93-383, P.L. 95-128, and P.L. 95-557. U.S. Code: 42 U.S.C. 5301. C.F.D.A.: 14.218.

**C. Legislative History**

The Federal government's involvement in community development assistance began with the passage of Title I of the Housing Act of 1949 (P.L. 81-171). Title I authorized urban renewal assistance to stimulate improvements in urban areas, slum clearance, and new construction. Various housing and urban development acts in the 1950's and 1960's created additional urban assistance programs, including: model cities aid, water and sewer facilities loans, open spaces and neighborhood improvement grants, housing rehabilitation, and public facilities loans. Title I of the Housing and Community Development Act of 1974 (P.L. 93-383) consolidated these various categorical urban aid programs into a single formula grant program, called the Community Development Block Grant program.

The program was designed to "provide assistance on an annual basis, with maximum certainty and minimum delay, upon which communities can rely in their planning." Authority and responsibility for initiating and implementing community development plans were assigned to local elected officials. HUD was to participate as a review agency, with limited power to disapprove the award of block grant funds.

The primary objective of the CDBG program was the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities—principally for persons of low and moderate income. There were two general types of funds available under the Community Development Block Grant program: (1) Entitlement Funds and (2) Discretionary Funds. Cities with populations of 50,000 or more, urban counties with 200,000 or more, and central cities in metropolitan regions

(Standard Metropolitan Statistical Areas or SMSA's) were eligible for entitlement funds.

Under the original 1974 Act, the funding level for a particular community was based upon a formula which took into account population, overcrowded housing, and poverty (the latter factor was double-weighted). However, the Housing and Community Development Act of 1977 (P.L. 95-128) added an alternative formula. Under the new approach, communities were permitted to receive either the amount computed under the old formula or under a new formula, whichever was greater. The new formula was calculated by multiplying growth lag (20 percent) times poverty (30 percent) times age of housing (50 percent).

The 1977 amendments also added a general requirement that the CDBG program description of community facilities and public improvements insure full opportunity for participation by, and benefits to, handicapped persons.

The Housing and Community Development Amendments of 1976 (P.L. 94-375) added "Centers for the Handicapped" to the statutory list of purposes for which CDBG funds could be used.

## CONSOLIDATED FARMS AND RURAL DEVELOPMENT ACT

Section 306 of the Consolidated Farms and Rural Development Act of 1972 authorizes a program of loans for rural community facilities. Loans may be used to construct, enlarge, extend or otherwise improve public facilities providing essential services to rural residents. Eligible applicants include state and local government agencies and other nonprofit organizations or associations. A number of local communities have used the proceeds from such loans to build group homes and sheltered workshops for developmentally disabled persons over the past few years. FY 1980 appropriations: $250 million.

References: Consolidated Farms and Rural Development Act of 1972. P.L. 92-419. U.S. Code: 7 U.S.C. 1926. C.F.D.A.: 10.423.

## INCOME MAINTENANCE

### SOCIAL SECURITY DISABILITY INSURANCE

#### A. Overview

Title II of the Social Security Act authorizes a program of Federal disability insurance benefits for workers who have contributed to the Social Security trust funds and become disabled or blind before retirement age. Disabled spouses and dependent children of fully insured workers (often referred to as the primary beneficiary) also are eligible for disability benefits upon the retirement, disability or death of the primary beneficiary.

Applicants must furnish medical and other evidence as specified by the Social Security Administration to prove the existence of a disability. Spouses may be determined to be eligible for disability insurance benefits if they possess a physical or mental impairment of such severity as to preclude engaging in any substantial gainful activity.

Dependent children of fully insured workers who have retired, died or are themselves disabled are eligible for Title II benefits, under the following circumstances: (1) the child is unmarried and either under 18 years of age or, if a student, under age 22; or (2) the dependent has a disability, which meets the statutory test of severity that precludes substantial gainful activity, and began prior to age 22.

Individuals who have been entitled to disability benefits for 24 consecutive months are eligible to receive health insurance benefits under Title XVIII of the Social Security Act (Medicare). (For details on Medicare, see page 40.) In addition, the law requires that Social Security Disability Insurance applicants be referred to the state's vocational rehabilitation agency in an effort to maximize the number of disabled individuals returned to productive activity.

**B. Major Programs Affecting the Handicapped**

1. *Disability Insurance Benefits.* Title II authorizes a program of monthly cash benefits paid directly to eligible disabled persons and their eligible dependents throughout a period of disability. There are no restrictions on the use of payments received by Social Security beneficiaries. The amount of the payment is based on the disabled person's "primary insurance amount," an amount determined by averaging the worker's monthly income during a specified period of time prior to the onset of disability. After making application, individuals are required to wait five months before qualifying for benefits.

To qualify for monthly payments, an individual must meet the statutory test of disability or blindness. Under this test, a person must be unable ". . . to engage in any substantial gainful activity" either due to: (1) a ". . . medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months"; or (2) blindness–i.e., ". . . a central visual acuity of 20/200 or less in the better eye with the use of corrective lens . . ." (or a limitation of 20 percent or more in visual field). (An exception is made for otherwise eligible, older blind persons (55 years of age or older) who meet this statutory test of blindness. Such individuals are not required to meet the "substantial gainful activity" test applicable to other blind and disabled persons.) FY 1980 (estimated) appropriations: $15.3 billion.

References: Title II, Social Security Act of 1935, as amended. P.L. 89-97, P.L. 90-248, P.L. 92-603, P.L. 93-66, P.L. 93-233, and P.L. 95-216. U.S. Code: 42 U.S.C. 401. C.F.D.A.: 13.802.

2. *Adult Disabled Child Program.* Section 202(d) of the Act authorizes disability insurance payments to surviving children of retired, deceased or disabled workers (who were eligible to receive Social Security benefits), if the children possess a permanent disability originating before age 22. The child's benefit payment is one-half the primary insurance amount of the eligible parent while the parent is living and receiving Social Security retirement or disability benefits, and three-fourths of the primary insurance amount after the eligible parent has deceased. FY 1980 appropriations: included in the total for the Disability Insurance program (see above).

References: Title II, Social Security Act of 1935, as amended. P.L. 90-248, P.L. 92-603, P.L. 93-66, and P.L. 95-216. U.S. Code: 42 U.S.C. 401. C.F.D.A.: 13.802.

3. *Rehabilitation Services.* Section 222 of the Act requires that all applicants and recipients of Disability Insurance benefits be referred to the state vocational rehabilitation agency. In addition, this section

of the statute authorizes the transfer of funds from the Disability Insurance Trust Fund to state vocational rehabilitation agencies in order to reimburse such agencies for the provision of certain rehabilitation services provided to Title II applicants and beneficiaries. The primary aim of such services is to reduce the dependency of disabled beneficiaries on income assistance payments and, whenever possible, to return them to remunerative employment.

Section 222 also authorizes a nine month "trial work period" for disabled Title II beneficiaries who are attempting to return to work. During this period, benefits are continued even though the beneficiary's monthly earnings may exceed the "substantial gainful activity" test. (Under the Disability Amendments of 1980 (P.L. 96-265), effective December 1980, a disabled beneficiary will be eligible to have benefits reinstated if his or her earnings fall below the SGA test level during any month subsequent to the termination of benefits at the end of a trial work period. This change, in effect, extends the trial work period to 24 months, although the beneficiary will not be entitled to cash benefits during the second 12 month period if he or she is earning over the SGA level ($300 a month in calendar year 1980.)

In FY 1980, approximately $97 million was transferred from the Disability Insurance Trust Fund to pay for vocational rehabilitation services, under the "Beneficiary Rehabilitation" program.

References: Title II, Social Security Act of 1935, as amended. P.L. 89-97, P.L. 92-603, P.L. 93-66, P.L. 93-233, and P.L. 95-116. U.S. Code: 42 U.S.C. 422. C.F.D.A.: 13.802.

**C. Legislative History**

The Social Security Disability Insurance program originated in 1954, when amendments to the Social Security Act (P.L. 83-761) included a provision for a disability "freeze" which would allow disabled workers to protect their ultimate retirement benefits against the effects of nonearning years.

In 1956, amendments to the Act (P.L. 84-880) established the Disability Insurance Trust Fund under Title II, and provided for the payment of benefits to disabled workers, but not to their dependents. Under the 1956 legislation, benefits were to begin after a six month waiting period and were limited to workers aged 50 or over who had recently and substantially paid Social Security taxes. The disability had to be severe enough to prevent the individual from engaging in any substantial employment and be of "long-continued and indefinite duration." The 1956 amendments also made "adult disabled children," who were dependents of retired or deceased

workers, eligible for Social Security benefits provided the dependent's disability began prior to age 18.

Amendments to the Act in 1958 (P.L. 85-840) and 1960 (P.L. 86-778) authorized the extension of benefits to dependent spouses and children of disabled workers and eased the requirements related to the worker's prior (covered) work history and contributions to the Social Security fund. Also in 1960, the limitation on benefits to workers over age 50 was eliminated, and beneficiaries were encouraged to return to work by the addition of provisions: (1) authorizing a nine month trial work period during which the recipient could have earnings without imperiling benefit payments; and (2) eliminating the six month waiting period for benefits if a worker applied for disability a second time after failing in an attempt to return to work.

The 1965 amendments to the Act (P.L. 89-97) revised the definition of disability from "long-continued and indefinite duration" to disabilities expected to last at least 12 months or result in death. The definition of disability in regard to blindness also was liberalized to exempt legally blind individuals, between 55 and 65 years of age, from the substantial gainful activity test. An alternate insured status also was provided for persons who were disabled with blindness before age 31.

In addition, P.L. 89-97 authorized reimbursement from the Disability Insurance Trust Fund to state vocational rehabilitation agencies for the cost of rehabilitation services furnished to selected disabled Title II beneficiaries. Reimbursements, however, were limited to one percent of the previous year's expenditures for disability insurance payments.

Amendments to the Act in 1967 (P.L. 90-248) emphasized the role of medical factors in the determination of disability and provided more specific guidelines for considering vocational factors. The 1967 amendments stipulated that individuals could be determined disabled only if their impairments were so severe that they were not able to do their previous work and could not, considering age, education and work experience, engage in any other kind of substantial gainful work which existed in the national economy.

The Social Security Amendments of 1972 (P.L. 92-603) reduced the waiting period for disability benefits from six to five months and increased the limit on reimbursements to state vocational rehabilitation agencies for services to disability insurance recipients from one percent to one and a half percent of the previous year's disability payments.

In 1973, Social Security Act amendments (P.L. 93-66) tied increases in benefit levels under the disability insurance program to the consumer price index, thus authorizing automatic annual cost of living adjustments in benefit payments.

The Social Security Act Amendments of 1977 (P.L. 95-216) increased the Social Security tax rate and modified other provisions in order to restore the financial solvency of the Social Security trust funds. In addition, P.L. 95-216 stipulated that a blind beneficiary would not be considered to have engaged in substantial gainful activity unless his or her monthly income exceeded the retirement test under Title II. However, the substantial gainful activity test would continue to be applied to nonblind, disabled recipients.

## SUPPLEMENTAL SECURITY INCOME

### A. Overview

Title XVI of the Social Security Act authorizes the Supplemental Security Income (SSI) program, a Federally-administered cash assistance program designed to provide needy aged, blind and disabled persons with a minimum income. Unlike Social Security Disability Insurance benefits (see page 71), SSI cash payments are available only to aged, blind and disabled persons who meet a statutory test of financial need. Another principal difference between the two income maintenance programs is that SSI benefits are paid from general revenues appropriated by Congress, while SSDI benefits are derived from a special trust fund financed through Social Security taxes paid by over 100 million covered workers and their employers.

### B. Major Programs Affecting the Handicapped

1. *Basic Supplemental Security Income Program.* Title XVI authorizes federal financial benefits for needy disabled, blind and aged individuals (and couples), who qualify for direct cash payments. Monthly payment rates to individuals and couples are adjusted annually to account for changes in the cost of living. Effective July, 1980, eligible individuals will receive $238 a month, while eligible couples will get $357 per month.

Eligibility for SSI benefits is based on the individual's (or couple's) age or disability status, combined with evidence of financial need. The definition of disability and blindness used under the SSI program parallels the language of Title II (Social Security) of the Act (see page 71). The one exception is that Title XVI requires childhood SSI recipients (18 years of age or younger) to have a medically determinable physical or mental impairment of comparable severity to

the adult criteria. (Since, under Title XVI, children are entitled to SSI benefits on their own behalf, it is necessary for the law (and implementing regulations/administrative policies) to apply a standard other than "ability to engage in substantial gainful activity" to determine the severity of a childhood disability.)

In calculating an individual's eligibility, the Social Security Administration–the federal agency responsible for administering the SSI program–is directed to disregard the first $20 of monthly income an individual receives from any source and up to $65 in any additional *earned* income. Any additional unearned income an applicant or recipient receives each month results in a dollar-for-dollar reduction in his or her SSI benefit. *Earned* income above the original disregard ($65 a month; or up to $85, if the individual has no unearned income) causes a one dollar reduction in the benefit payment for every two dollars of additional earnings.

In addition to meeting the above income test, an individual cannot have personal resources which exceed certain statutory limits. For example, an individual with savings exceeding $1,500 is not eligible to receive SSI benefits. However, ownership of a car or a modest-priced home are not taken into account in calculating an individual's (or couple's) eligibility for benefits.

If an eligible individual is living in another person's household and receiving support and maintenance from that person, the SSI basic payment amount is reduced by one-third. Furthermore, if an eligible individual is living in a public nonmedical institution, he is ineligible for benefits. If, on the other hand, he resides in a public medical institution or a private health care facility which receives substantial payments on his or her behalf under Medicaid, Federal SSI benefits are reduced to a personal needs allowance of $25 per month.

States may elect to supplement the basic Federal SSI payment. Such supplemental payments may either be administered directly by the states or through a contractual arrangement with the Social Security Administration. If a state elects Federal administration of its supplemental payments, then all associated administrative costs are borne by the Federal government. FY 1980 appropriations: $5.6 billion.

References: Title XVI, Social Security Act of 1935, as amended. P.L. 92-603, P.L. 93-66, P.L. 93-233, P.L. 94-566, and P.L. 94-569. U.S. Code: 42 U.S.C. 1381. C.F.D.A.: 13.807.

2. *Rehabilitation, Treatment, Referral and Counseling Services.* Under Section 1615 of the Act, adults, under 65 years of age, who are receiving SSI benefits, must be referred to the state vocational

rehabilitation agency. On the other hand, childhood recipients, under age 16, must be referred to the designated state SSI disabled children's agency. Similar to the requirement under the Title II disability insurance program (see page 72), SSI recipients may not, without good cause, refuse rehabilitation services. Services provided to selected SSI recipients through state vocational rehabilitation agencies may be reimbursed by the Federal government out of a special appropriation set aside for this purpose. The aim of this program is to assist disabled and blind SSI recipients enter or re-enter the work force, whenever possible.

Blind and disabled children under age 16 receiving SSI benefits must be referred to the state's crippled children's agency (see page 37) or an alternate agency designated by the Governor. This agency is responsible for providing such children and their families with: (a) counseling services; (b) individual service plans; (c) referral to appropriate medical, educational and social services; (e) monitoring services to assure adherence to the individual service plans; and (e) direct medical, social, developmental and rehabilitative services to children under age 7 and youngsters between ages 7 and 15 who have never attended public school and require preparation to take advantage of public educational services.

Section 1615(b) of the Act authorizes $30 million annually to assist states in providing the above services. Each state receives an annual allocation, based on the relative number of children under age 7. At least 90 percent of a state's allocation must be used to provide services to children six years of age or younger or those who have never attended public school.

References: Title XVI, Social Security Act, as amended. P.L. 92-603, and P.L. 94-566. U.S. Code: 42 U.S.C. 1382d.

**C. Legislative History**

The Social Security Act, as originally enacted in 1935, did not contain disability benefits for low income individuals, although there were limited provisions for assisting blind persons. In 1950, a public assistance program for the "totally and permanently disabled" was added to the Social Security Act. Basic eligibility standards and assistance levels were determined by each state, within broad standards set forth in the statute. This "Aid to the Permanently and Totally Disabled" program was administered by the states with financial assistance from the Federal government. Over the next two decades, numerous changes were made in the statutory authority for this program; but, the essentially state-run, Federally-assisted character of the program remained unaltered.

Under the Social Security Amendments of 1972 (P.L. 92-603), however, Congress repealed the then existing public assistance programs for the elderly, blind and disabled and added a new Title XVI to the Act. This new title authorized a consolidated, Federally-administered program of cash benefits for needy adults, called the Supplemental Security Income program. Under the program, a basic Federal income support level was established for aged, blind and disabled individuals and couples. Eligibility was to be determined and benefits paid by the Federal government, acting through the Social Security Administration. States were permitted to supplement the basic Federal income support levels on behalf of selected classes of recipients.

The definitions of disability and blindness used in Title XVI generally followed the provisions of Title II of the Act. In addition, for the first time, disabled and blind children under 18 years of age were made eligible for benefits, provided their disabilities were of comparable severity to adult recipients. However, while P.L. 92-603 relieved parents of financial liability for support of their adult, disabled offspring, the law continued to hold parents liable for the care of disabled minors as long as they were living at home.

In 1973, two sets of amendments to the Social Security Act (P.L. 93-66 and P.L. 93-233) modified Title XVI to assure elderly and disabled individuals an adequate income and to protect certain recipients against loss of benefits. Included in the amendments were provisions which:

- extended SSI benefits to so-called "essential persons"—i.e., persons needed to care for SSI recipients—under certain conditions (P.L. 93-66);

- required states to supplement Federal SSI payments to current aged, blind and disabled recipients who otherwise would have had their payments reduced when the new "federalized" program went into effect (P.L. 93-66); and,

- protected certain groups of SSI recipients against loss of Medicaid eligibility after SSI went into effect including: (1) essential persons; (2) disabled individuals who did not meet the Federal definition of disability and yet were eligible for Medicaid as a medically needy person; and (3) individuals who were inpatients in medical institutions and whose special needs made them eligible for assistance (P.L. 93-66).

In 1976, a series of Social Security Act amendments were enacted under the Unemployment Compensation Amendments of 1976

(P.L. 94-566), which contained the following provisions relating to the Supplemental Security Income program:

- The Social Security Administration was required to refer all SSI eligible children, under 16 years of age, to the state crippled children's agency or another agency designated by the Governor. This designated agency was obligated to develop a state plan which included provision for: (a) administration of the program; (b) coordination with other agencies serving disabled children; and (c) establishment of a unit which would be responsible for counseling, referring and serving blind and disabled youngsters who were eligible for SSI benefits.

- Section 505 of P.L. 94-566, the "Keys Amendment", modified the definition of a public institution to exclude publicly operated community residences serving 16 or fewer individuals. The purpose of the amendment was to eliminate a major disincentive to the development of group homes for the mentally retarded under public auspices;

- Section 505 also stipulated that assistance furnished on the basis of need to, or on behalf of, an SSI applicant by a state or local government would not be counted as unearned income for purposes of determining eligibility or the amount of an individual's SSI payment. Under the previous law, only certain types of public payments were disregarded (e.g., formal state supplemental payments and payments for medical care and social services.)

- Section 1616(e) of the Act was repealed by P.L. 94-566. This controversial provision called for a dollar-for-dollar reduction in the federal SSI payment when a state made a supplemental payment on behalf of any eligible resident in a facility providing services which could have been financed under the state's Medicaid program. In its place, the 1976 amendments substituted a provision requiring the states to establish and enforce standards governing care in nonmedical facilities housing a significant number of SSI recipients.

- P.L. 94-566 directed the Social Security Administration to publish criteria for making childhood disability determinations within 120 days after enactment of the legislation.

Presumptive disability, a procedure for initiating payments to certain severely handicapped individuals prior to completion of a formal disability determination, was extended to blind persons in 1976 (P.L. 94-569). Prior to the enactment of this legislation, only disabled applicants could be declared presumptively eligible.

## NUTRITION

### NATIONAL SCHOOL LUNCH ACT

#### A. Overview

The National School Lunch Act of 1946, as amended, authorizes several cash assistance and commodity donations programs to assist public and private schools, child care centers and other institutions provide nutritious meals to eligible students. Schools, day care programs, summer camps for handicapped children, and residential facilities serving mentally ill and mentally retarded children are eligible to participate in the various meal programs authorized under the Act.

#### B. Major Programs Affecting the Handicapped

1. *School Lunch Program.* Section 4 of the Act authorizes financial assistance and food donations to participating public and private schools and child care facilities, and residential child care institutions (including schools or institutions for handicapped children) to help them furnish, to eligible children, lunches which meet nutritional requirements prescribed by the Department of Agriculture.

Participating schools are reimbursed at prescribed rates, which are adjusted on a semiannual basis to reflect changes in the Consumer Price Index. Schools must agree to supply free and reduced price lunches to eligible children. Eligibility is based on the family's income and number of participating children. FY 1980 appropriations: $2.1 billion.

References: National School Lunch Act of 1946, as amended. P.L. 90-302, P.L. 91-248; P.L. 92-153; P.L. 92-433, P.L. 93-150, P.L. 93-326, P.L. 94-105, P.L. 95-166, and P.L. 95-627. U.S. Code: 42 U.S.C. 1753. C.F.D.A.: 10.555.

2. *Commodity Distribution Program.* Section 6 of the Act authorizes the donation of food to qualified households, individuals, child feeding programs, schools, charitable institutions, nutrition programs for the elderly, and nonprofit summer camps for children.

Formula grants are made to state agencies which administer the distribution program. Commodities are purchased by the Federal government under agriculture surplus removal or price support programs and then made available to the states for distribution. In FY 1980, the value of food donated under this program totaled $806 million; funding for administrative costs was $6.6 million.

References: National School Lunch Act of 1946, as amended. P.L. 91-248, P.L. 92-153, P.L. 92-433, P.L. 93-150, P.L. 93-288, P.L. 93-326, P.L. 94-105, P.L. 95-166, and P.L. 95-627. U.S. Code: 7 U.S.C. 612. C.F.D.A.: 10.550.

3. *Summer Food Service Program.* Section 13 of the Act authorizes formula grants to the states for the initiation, maintenance and expansion of nonprofit food service programs for children in institutions and summer camps (including schools and institutions for the handicapped) during the summer months. Grant funds are intended to cover the full cost of food service operations, within certain cost-per-meal limits. Meals must meet minimum nutritional requirements established by the Department of Agriculture. Funds also are made available for certain state administrative expenses. FY 1980 appropriations: $136 million.

References: National School Lunch Act of 1946, as amended. P.L. 90-302, P.L. 94-105, P.L. 95-166, and P.L. 95-627. U.S. Code: 42 U.S.C. 1761. C.F.D.A.: 10.559.

4. *Child Care Food Program.* Section 17 of the Act provides grants-in-aid to the states for the establishment and operation of nonprofit food service programs for children in nonresidential day care facilities. States disburse funds to eligible public and nonprofit private organizations, including day care centers, recreation centers, family and group day care programs, Headstart centers, and other institutions providing day care services for handicapped children. Disbursements are made on the basis of the number of lunches, suppers, breakfasts and snacks served to eligible children, using federally-established reimbursement rates. Meals must meet minimum nutritional requirements set by the Agriculture Department. FY 1980 appropriations: $214 million.

References: National School Lunch Act of 1946, as amended. P.L. 90-302, P.L. 94-105, P.L. 95-166 and P.L. 96-627. U.S. Code: 42 U.S.C. 1766. C.F.D.A.: 10.558.

**C. Legislative History**

Prior to the enactment of the National School Lunch Program, some schools received federal loans and agricultural surpluses for their lunch programs. In 1935, the U.S. Department of Agriculture initiated a direct purchase and distribution program under which donated

farm surpluses were distributed to schools in an effort to dispose of such commodities and aid schools in providing nutritious, low-cost meals to their students. In 1946, the school lunch program was permanently authorized under the National School Lunch Act (P.L. 79-396). The Act established a grant program to enable states to aid non-profit school lunch programs in public and private schools. Payments to the states were to be made on a matching basis, according to a formula that took into account the degree of need in each state. In addition, the Agriculture Department was authorized to continue providing federally donated food commodities to supplement cash assistance.

In 1962, amendments to the Act (P.L. 87-823) changed the formula by which Federal funds were allocated, in order to account for rate of participation in the program and need for assistance. The 1962 amendments also authorized a special assistance program to aid schools in providing free and reduced-price lunches to needy children.

The Child Care Food program was first established in 1968 (P.L. 302) as the year-round component of the Special Food Service Program for Children, a three-year pilot program that included both the child care food program and the forerunner to the summer food service program. The child care component was aimed at providing Federal assistance for meals served in institutions providing nonresidential day care for children. The institutions eligible to participate included day care centers, settlement houses, recreation centers and institutions providing day care for handicapped youngsters.

The 1975 amendments to the Act (P.L. 94-105) streamlined and improved existing federal programs by increasing eligibility for reduced-cost meals, expanding the summer feeding and school breakfast programs and extending child nutrition benefits to children in residential institutions. The definition of a "school" under the National School Lunch Act and Child Nutrition Act Amendments of 1966 was expanded to include "any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded). . ." This amendment makes public and nonprofit residential institutions for the mentally retarded eligible for assistance under the School Lunch and School Breakfast program. Previously, such facilities were only entitled to receive surplus commodities.

In addition, a broader Child Care Food Program was authorized to replace the former Special Food Service Program for Children. Nonresidential child care institutions serving needy youngsters,

including facilities "providing day care services for handicapped children," were declared eligible for aid.

The 1975 amendments also:

- extended the Special Supplemental Food Program for Women, Infants, and Children through September 30, 1977 and expanded program authorizations;
- broadened the Summer Food Program and extended its authorizations through September 30, 1977;
- increased eligibility for reduced price lunches by raising the family income ceiling to 95 percent above the poverty income guidelines. Previously, maximum family income was fixed at 75 percent above the poverty level.

In 1977 amendments to the Act (P.L. 95-166), eligibility for the Summer Food Service program was extended to allow individuals over age 18 to receive benefits if they were mentally or physically handicapped and participating in a public school program established to meet their needs. The Act was amended again in 1978 (P.L. 95-627) to extend eligibility under the Child Care Food program to mentally or physically handicapped persons over 18 years of age who were enrolled in a program serving a majority of persons 18 years of age or under.

## CHILD NUTRITION ACT

### A. Overview

The Child Nutrition Act of 1966, as amended, authorizes federal assistance in the establishment and operation of school meal programs. Programs established under this Act complement the basic nutrition programs authorized under the National School Lunch Act (see page 81). Residential and daytime schools for handicapped children and other child care programs are eligible to participate in the School Breakfast, the School Milk, Equipment Assistance, and Nutrition Education and Training programs authorized under the Act.

### B. Major Programs Affecting the Handicapped

1. *School Milk Program.* Section 3 of the Act authorizes formula grants to the states to encourage the consumption of milk by school-aged children. Reimbursements are made to eligible nonprofit schools and child care institutions. Nonprofit elementary and secondary schools, nursery schools, child care centers, summer camps and similar institutions devoted to the care and training of

children are eligible to participate in the program. Disbursements are made on the basis of the number of half pints of milk served, within limits specified by law and Department of Agriculture regulations. FY 1980 appropriations: $32 million.

References: Child Nutrition Act of 1966, as amended. P.L. 91-295, P.L. 93-150, P.L. 93-347, P.L. 94-105, and P.L. 95-166. U.S. Code: 42 U.S.C. 1772. C.F.D.A.: 10.556.

2. *School Breakfast Program.* Section 4 of the Act authorizes formula grants to the states for the purpose of reimbursing participating public and nonprofit private schools, including schools for handicapped children, for breakfasts served to eligible children; food must meet the Department of Agriculture's nutritional requirements. Reimbursement is based on the number of breakfasts served, with rates adjusted semi-annually according to the Consumer Price Index. FY 1980 appropriations: $225 million.

References: Child Nutrition Act of 1966, as amended. P.L. 89-642, P.L. 90-302, P.L. 91-248, P.L. 92-32, P.L. 92-433, and P.L. 94-105. U.S. Code: 42 U.S.C. 1773. C.F.D.A. 10.553.

3. *Non-Food or Equipment Assistance.* Section 5 of the Act provides formula grants to the states to help supply schools in low-income areas with equipment for storing, preparing, transporting and serving food to children. Grant funds may cover up to 100 percent of the cost of such equipment in especially needy schools without food service programs. Schools approved for equipment assistance must agree to take part in the National School Lunch or School Breakfast programs. FY 1980 appropriations: $20 million.

References: Child Nutrition Act of 1966, as amended. P.L. 89-642, P.L. 91-248, P.L. 92-433, P.L. 93-326, and P.L. 94-105. U.S. Code: 42 U.S.C. 1774. C.F.D.A. 10.554.

4. *Nutrition Education and Training.* Section 19 of the Act authorizes grants to state educational agencies to stimulate improved nutritional training of educational and food service personnel, training in food service management and the conduct of nutrition education activities in schools and child care institutions. FY 1980 appropriations: $20 million.

References: Child Nutrition Act of 1966, as amended. P.L. 95-166. U.S. Code: 42 U.S.C. 1788. C.F.D.A. 10.564.

**C. Legislative History**

The Child Nutrition Act of 1966 (P.L. 89-642) extended the Federal government's involvement in furnishing meals to school-aged children by: (1) establishing the school breakfast program;

(2) expanding the special milk and nonfood (equipment) assistance programs; and (3) providing assistance in feeding preschool children.

As established under the 1966 Act, the School Breakfast Program was limited to schools located in poverty areas, which had a substantial number of children who had to ride long distances to school. In 1971, the Act was amended (P.L. 92-32) to remove the limitation on the types of schools eligible for the program and authorize a Federal share of up to 100 percent of the full operating costs of breakfast programs in needy schools. In 1975, amendments (P.L. 94-105) provided a permanent, open-ended authorization of funds for the School Breakfast program.

The 1975 amendments also extended the definition of "school," under the 1966 Act, to include: "any public or licensed nonprofit, private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded)." This change allowed public and nonprofit residential institutions to participate in the School Breakfast, Milk, and Equipment Assistance programs for the first time.

The 1978 amendments to the Act (P.L. 95-627) provided for: (a) the expansion of the breakfast program by permitting combined record keeping, equipment assistance, and funds for schools in especially needy areas; (b) the authority for children who qualify for free lunches to be eligible for free milk at the option of the school or local educational agency; and (c) a requirement that each state educational agency establish eligibility standards for providing additional assistance to schools in severe need, including those schools required to serve breakfast under state law.

## FOOD STAMP ACT

### A. Overview

The Food Stamp Act of 1977, as amended, provides direct assistance, in the form of coupons, to individuals and families who otherwise would be unable to purchase adequate quantities of food at local retail stores to meet their minimum nutritional needs. Coupons are used to offset part of the cost of purchasing food, and thus, assist a low-income individual and family to stretch their food budgets. Handicapped individuals and households who meet income eligibility criteria are eligible to participate. In addition, certain blind and disabled persons living in community living arrangements, which house less than 16 persons, also may be eligible for food stamps.

## B. Major Programs Affecting the Handicapped

Under the Food Stamp Act, eligible households receive a free coupon allotment, an amount which varies according to household size and net income. The coupons may be used in participating retail stores to buy food. In addition, food coupons may be used by certain elderly and handicapped persons and their spouses who cannot prepare their own meals to pay for meals delivered to them in their homes by authorized meal delivery services. Food coupons also may be used to purchase food on behalf of blind or disabled recipients of Social Security Disability Insurance or Supplemental Security Income benefits who reside in small, community-based group living arrangements, housing no more than 16 persons.

Households must be individually certified as eligible by state or local welfare offices, based on national eligibility standards which take into account family size, income and level of resources. In FY 1980, approximately $7 billion was spent on food stamp benefits to eligible recipients.

References: Food Stamp Act of 1977, as amended. P.L. 95-113, and P.L. 96-58. U.S. Code: 7 U.S.C. 2012. C.F.D.A. 10.551.

## C. Legislative History

The first Federal Food Stamp Program was established as an experiment in 1939, for the dual purpose of stabilizing food prices by removing surplus agricultural commodities from the market and feeding poor families. The program ended with World War II, but was revived in 1961 by President Kennedy, as a pilot project in a few scattered needy areas of the country. This pilot project was expanded and refined by the passage of the Food Stamp Act of 1964. Amendments to the Act in 1971 changed the basis of the program by establishing uniform Federal eligibility standards and coupon values. In 1973, Congress mandated that all areas of the country offer Food Stamps and convert from other Federal food distribution programs.

The Food Stamp Act of 1977 (P.L. 95-113) was one of the most comprehensive revisions of the program's statutory authority since its inception. P.L. 95-113 authorized the issuance of stamps at no cost to eligible individuals or families, and the establishment of uniform national eligibility standards. The Act also provided for a limited exception to the prohibition against providing food stamps to institutionalized persons, in the case of individuals participating in alcohol or drug abuse treatment centers or residing in Federally-subsidized housing for the elderly.

In addition, P.L. 95-113 permitted certain public assistance offices to determine client eligibility for food stamps. Specifically, a single interview could be conducted to determine both eligibility for food stamps and eligibility for Aid to Families with Dependent Children; or households composed entirely of Supplemental Security Income recipients could apply for food stamps at Social Security Administration offices and be certified as eligible, based on information in their SSI files.

The Act authorized the Agriculture Department to conduct pilot projects, including a test of "cashing-out" food stamps (i.e., paying the value of food stamps in cash rather than in coupons) for households composed entirely of members who are either age 65 or over or are SSI recipients. P.L. 95-113 also required the state agency administering the food stamp program to notify SSI recipients about the availability and benefits of the food stamp program, as well as eligibility requirements.

The Food Stamp Amendments of 1979 (P.L. 96-58), was an emergency measure aimed primarily at increasing the program's statutory spending ceiling and relaxing certain restrictions on shelter and medical expense deductions under the 1977 Act. P.L. 96-58 also, for the first time, authorized food stamps for residents of community living arrangements for blind and disabled persons, by redefining "eligible households" to include:

> Disabled or blind recipients of benefits under Title II or Title XVI of the Social Security Act who are residents in a public or private nonprofit group living arrangement that is certified by the appropriate state agency or agencies under regulations issued under Section 1616(e) of the Social Security Act, which serves no more than 16 residents.

Each otherwise eligible blind or disabled person is to be treated as an individual household for purposes of determining his/her eligibility and monthly coupon allotment. In addition to amending the statutory definition of the term "household," the 1979 amendments also redefine the term "food," to mean meals served in small group living arrangements, and the term "retail food store" to include group living arrangements. This allows some flexibility in the method of administering Food Stamp benefits.

Prior to the enactment of P.L. 96-58, group homes which provided meals to their residents were considered "institutions" and therefore, residents were considered ineligible for Food Stamps.

## RIGHTS

### A. Overview

During the 1970's, Congress enacted several pieces of legislation aimed at protecting handicapped persons against discrimination and other forms of unjust treatment. Among the types of statutory safeguards extended to handicapped individuals under these laws were: (1) protection against discrimination in Federally assisted programs; (2) accessibility to facilities and programs supported or operated by the Federal Government; and (3) the right to a free appropriate education. (Legislation permitting the Justice Department to initiate civil suits against states to protect the rights of mentally retarded and other institutionalized individuals was enacted in 1980 (P.L. 96-247).

### B. Major Legislation Affecting the Handicapped

1. *Rehabilitation Act of 1973.* (See also page 115 for other provisions of this Act.) Title V of the Rehabilitation Act of 1973, as amended, contains a number of provisions designed to safeguard the rights of handicapped persons. Section 504 of the Act affords handicapped persons protection against discrimination in all Federally-assisted programs and activities. The Act states that:

> "No otherwise qualified handicapped individual in the United States, as defined in Section 7(7), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service."

Section 7(7) defines the term "handicapped individual" to mean: "any person who (1) has a physical or mental impairment which substantially limits one or more of such person's major life activities; (2) has a record of such an impairment, or (3) is regarded as having such an impairment." Federal agencies are required to promulgate

regulations to carry out their activities in a nondiscriminatory fashion.[1]

Sections 501 and 503 of the Act protect handicapped persons from employment discrimination by Federal agencies or Federal contractors. Each Federal agency is required under Section 501 to develop an affirmative action plan for hiring, placing, and advancing handicapped individuals within the agency. An Interagency Committee on Handicapped Employees also is established under Section 501 to monitor implementation of this requirement.

Under Section 503 of the Act, any contractor entering into a contractual agreement in excess of $2,500 with any Federal department or agency for the procurement of personal property or a nonpersonal service is required to take affirmative action to employ and advance in employment handicapped persons. The statutory definition of a "handicapped individual" for employment purposes "does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others." The Secretary of Labor is responsible for promulgating regulations and enforcing the provisions of Section 503.

2. *Education of the Handicapped.* (Other provisions of this Act are described on page 9.) The Education of the Handicapped Act, as amended, expressed Congressional intent that all handicapped children have a right to free appropriate public education. Section 3(c) of the Act states:

> "It is the purpose of this Act to assure that all handicapped children have available to them, within the time periods specified in Section 612(2) (B), a free appropriate public education which emphasizes special education and related services designed to meet their unique needs, to assure that the rights of handicapped children and their parents or guardians are protected, to assist states and localities to provide for the education of all handicapped children, and to assess and assure the effectiveness of efforts to educate handicapped children."

[1] Regulations implementing Section 504, as issued by the primary Federal agencies serving the handicapped, are summarized in *Key Federal Regulations Affecting the Handicapped*, 1977-78, published by the Office for Handicapped Individuals, HEW Publication No. (OHDS) 80-22008.

In order for a state to qualify for formula grant funding under Part B of the Education for the Handicapped Act, it must submit a plan that provides assurances that all handicapped children within the state, between the ages of three and twenty-one, will be enrolled in a free, appropriate educational program no later than September 1, 1980. The only statutory exception to this requirement is that such services need not be mandatory for children, between the ages of 3 to 5 and 18 to 21, if state law or a binding court order does not provide for such coverage.

3. *Bill of Rights for the Developmentally Disabled.* (Other provisions of this Act are described on page 101.) Section 111 of the Developmental Disabilities Assistance and Bill of Rights Act, as amended, sets forth the following Congressional findings respecting the rights of persons with developmental disabilities:

(1) that persons with developmental disabilities have a right to appropriate treatment, services, and habilitation, in the least restrictive setting, which are designed to maximize their developmental potential;

(2) that the Federal government and the states both have an obligation to assure that public funds are not provided to any institutional or other residential program which: (a) does not provide treatment, services and habilitation appropriate to the needs of the developmentally disabled persons they serve; or (b) fails to meet the following minimum standards:

- provision of a nourishing, well-balanced daily diet;
- provision of appropriate and sufficient medical and dental services;
- maintenance and enforcement of policies prohibiting the use of physical restraint, unless absolutely necessary, and not as a form of punishment;
- maintenance and enforcement of policies prohibiting the excessive use of chemical restraints;
- policies granting permission for close relatives to visit residents at reasonable hours without prior notice; and
- compliance with adequate fire and safety standards.

In addition to the general and specific rights outlined above, Section 111 expresses the intent of Congress that all residential and nonresidential programs serving developmentally disabled persons provide appropriate care and services and comply with all relevant

standards. In particular, residential facilities providing comprehensive health-related, habilitative or rehabilitative services, should meet standards "at least equivalent" to Federal Medicaid standards governing intermediate care facilities for the mentally retarded.

4. *Architectural Barriers Removal.* Congress, in 1968, passed the Architectural Barriers Act (P.L. 90-480), requiring most buildings and facilities designed, constructed or altered with federal funds after 1969 to be accessible to physically handicapped persons. The General Services Administration issued minimum accessibility guidelines in September 1969.

In 1970, the Act was amended (P.L. 91-205) to include a requirement that facilities constructed as part of the Washington, D.C. metropolitan subway system be accessible to handicapped persons.

Under Title II of the Public Building Cooperative Use Act of 1976 (P.L. 94-541) the Act was amended to impose a clear statutory mandate that public buildings be accessible to physically handicapped persons. Coverage of the Act was also extended to Government-leased buildings intended for public use or in which physically handicapped persons might be employed, including buildings leased for public housing or for use by the U.S. Postal Service.

In addition, the 1976 legislation required designated agencies (HEW, GSA, DOD and HUD) to establish a system of continuous surveys in order to insure compliance with the Architectural Barriers Act. The Administrator of the General Services Administration was directed to report annually to Congress on the status of activities related to the Architectural Barriers Act.

Section 502 of the Rehabilitation Act of 1973 (P.L. 93-112) established the Architectural and Transportation Compliance Board to: (1) insure compliance with the standards issued under the Architectural Barriers Act of 1968; (2) investigate and examine alternative approaches to the architectural, transportation, communication and attitudinal barriers confronting handicapped individuals; and (3) determine measures being taken by federal, state and local governments, and other public or nonprofit agencies, to eliminate such barriers.

Originally, the Board was composed of the heads of representatives from the following Federal departments and agencies: Health, Education, and Welfare; Transportation; Housing and Urban Development; Labor; Interior; General Services Administration; Veterans' Administration; Defense; and United States Postal Service. The 1978 amendments to the Rehabilitation Act (P.L. 95-602) added eleven

public members, appointed by the President, and one more Federal agency (Justice). P.L. 95-602 also expanded A&TBCB's enforcement authority by granting it power to: (1) bring civil action in any appropriate U.S. district court to enforce any final order of the Board; and (2) intervene, appear and participate (either directly or as amicus curiae) in any U.S. or state court in civil actions related to the Board activities or the Architectural Barriers Act of 1968.

Congress also required the A&TBCB to determine within one year the costs to state and local governments of providing handicapped persons with full access to all programs and activities receiving Federal assistance (i.e., the cost of complying with Section 504, nondiscrimination regulations). (As of mid-1980, the cost study had not been conducted because the Board lacked the resources.) Finally, the Board was authorized to set minimum guidelines for standards issued under the 1968 Act and to provide technical assistance to agencies and individuals affected by regulations mandating the removal of architectural, transportation, and communications barriers.

5. *Other Protections for Handicapped Persons.* The Civil Rights Commission Act Amendments of 1978 (P.L. 95-444) expanded the jurisdiction of the Civil Rights Commission to include protection against discrimination on the basis of handicap. The Act itself did not define the term "handicap," but referred instead to the definition contained in the Rehabilitation Act of 1973, as amended.

The Civil Rights Commission generally carries out factfinding activities, investigates allegations of discrimination and maintains an information clearinghouse. However, it has no direct enforcement authority.

The Legal Services Corporation Act Amendments of 1977 (P.L. 95-222) added handicapped persons to the list of clients eligible for services. Legal service corporations are local organizations that provide an array of legal counseling and referral services, as well as representation for needy individuals. P.L. 95-222 also required legal service corporations to adopt procedures for determining and implementing legal assistance priorities, taking into account the relative needs of eligible clients. The statute specified that special priority should be given to serving particularly needy clients, including handicapped and elderly persons, who have special difficulties in accessing legal services or special legal problems.

The Civil Service Reform Act of 1978 (P.L. 95-454) mandated sweeping reforms in the employment practices of the Federal government. Included in the Act was authority for agency heads to

employ reading assistants for blind employees and interpreting assistants for deaf employees, when such services are necessary to enable disabled employees to perform their work. Interpreters or reading assistants not assigned by the agency are permitted to receive pay for their services, either from the blind or deaf employee or from a nonprofit organization.

## SOCIAL SERVICES

### CHILD WELFARE SERVICES

#### A. Overview

Title IV-B of the Social Security Act authorizes grants to the states to expand and improve child welfare services.

Section 425 of the Act defines the term "child welfare services" to mean:

> Public social services which supplement, or substitute for, parental care and supervision for the purpose of (1) preventing or remedying, or assisting in the solution of problems which may result in, the neglect, abuse, exploitation, or delinquency of children; (2) protecting and caring for homeless, dependent, or neglected children; (3) protecting and promoting the welfare of children of working mothers; and (4) otherwise protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or where needed, the provision of adequate care of children away from their homes in foster family homes or day-care or other child-care facilities.

#### B. Major Programs Affecting the Handicapped

1. *State Grants for Child Welfare Services.* Title IV-B authorizes a program of formula grants to designated state agencies for the provision of child welfare services. States receive allotments based on the relative number of children under age 21, compared to the U.S. total in this age group. Funds may be used for: (a) referral or provision of special care to mentally and physically disabled children and assistance to children discharged from institutions; (b) licensing and standard-setting for private child-care agencies and institutions; and (c) foster care, day care, homemaker services, return of runaway children, and adoptive placements of children.

States are required to develop child welfare plans for the expenditure of funds that include provisions for coordination with other

programs and agencies providing health, educational and related services to children. FY 1980 appropriations: $56.5 million.

References: Title IV-B, Social Security Act, as amended. P.L. 90-248, and P.L. 92-603. U.S. Code: 42 U.S.C 620. C.F.D.A.: 13.645.

2. *Research, Demonstration and Training Projects.* Title IV-B authorizes project grants for research, demonstration and training activities in the field of child welfare. Public and nonprofit institutions of higher education, certain public and nonprofit child welfare agencies and research organizations are eligible for research grants under this authority. State and local government agencies also may receive project grants to demonstrate the utilization of research findings related to child welfare services. Finally, public and nonprofit institutions of higher education are eligible for grants to support training of child welfare personnel. FY 1980 appropriations: $13.2 million.

References: Title IV-B, Social Security Act, as amended. P.L. 90-248. U.S. Code: 42 U.S.C. 626. C.F.D.A.: 13 608.

### C. Legislative History

Grants for child welfare services have been awarded under the Social Security Act since its inception in 1935. The 1935 Act included provisions for supporting services to children in predominantly rural areas and other areas of special need. Amendments to the Act in 1972 (P.L. 92-603) authorized a major increase in Federal funding, aimed at expanding foster care and preventing the removal of children from their families, thus avoiding the need for foster care. The increased funds also were to be used by the states for adoption services, including activities to increase adoptions among hard-to-place children. (The Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) revises the allotment base for Title IV-B grants, as well as the specification for qualifying for Federal support. The main aim of these amendments is to minimize the need for foster care placements. P.L. 96-272 also adds a new Title IV-E to the Act, authorizing federal support for adoption subsidies.)

## SOCIAL SERVICES PROGRAM

### A. Overview

Title XX of the Social Security Act authorizes Federal assistance to help states provide a broad range of social services to recipients of public assistance and other low-income individuals and families. Many states use a portion of their Title XX allotments to provide special services to handicapped persons.

**B. Major Programs Affecting the Handicapped**

1. *Basic Social Services Program.* Title XX authorizes formula grants to assist designated state social services agencies to support activities aimed at achieving the following goals on behalf of certain low-income, needy persons and recipients of public assistance: (a) achieving or maintaining economic self-support to prevent, reduce or eliminate dependency; (b) achieving or maintaining self-sufficiency, including reduction or prevention of dependency; (c) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families; (d) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; or (e) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

Social services directed at these goals may include: child care services, protective services for children and adults, services for children and adults in foster care, services related to the management and maintenance of the home, day care services for adults, transportation services, employment services, information, referral and counseling services, the preparation and delivery of meals, health support services and appropriate combinations of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, alcoholics and drug addicts.

States have broad discretion to define social services, supportable under this Federal-state program, provided such services are directed at the above statutory goals. However, use of Federal funds to support the following activities is prohibited:

- supporting an educational service if a state makes the service "generally available to its residents without cost and without regard to their income."

- supporting medical or remedial services to persons which can be paid for under Medicaid or Medicare, unless such services are an integral and subordinate part of a social service;

- purchasing, constructing or making any major modifications in land, buildings or other facilities;

- using social service funds for cash payments to an individual or family;

- financing services to individuals living in any hospital, skilled nursing facility or intermediate care facility (including any hospital or facility for mental disease or for the mentally retarded), any prison or foster family home, unless the service: (a) is provided by an agency other than the facility the individual is living in; and (b) is provided under the state's plan to persons not living in the facility;

- supporting in-home child care services which fail to meet state standards established in accordance with the recommended standards of national organizations;

- paying for room and board only when such costs are an integral and subordinate part of the delivery of social services and then for no more than six consecutive months; and

- paying for out-of-home child care services which fail to meet prescribed day care standards.

Eligible recipients of social services include: (a) recipients of Supplemental Security Income benefits and/or recipients of state supplemental payments; (b) beneficiaries of Aid to Families with Dependent Children; and (c) other needy persons whose income does not exceed a state-established percentage of the state's median income (not exceeding 115 percent of the state's median income, adjusted for family size). States are permitted to vary the family/individual income limits according to the type of service. (For example, a number of states have established higher family income eligibility standards for services to developmentally disabled clients than for other services rendered under their Title XX plans.)

In addition, states may offer the following services to anyone who needs them, without regard to income or other eligibility limitations: (1) information and referral services; (2) protective services to children and adults who are subject to abuse, neglect or exploitation; and (3) family planning services.

States are required to charge fees, reasonably related to income, for services to individuals and families with monthly gross incomes of between 80 percent of the state's median income (or 100 percent of the national median, if lower) and 115 percent of the state's median income. Federal reimbursement is not available for services to individuals or families with incomes exceeding 115 percent of the state's median income.

The states are required to prepare comprehensive social service plans in advance of the program year and provide ample opportunity for public comment prior to final approval. This plan must include an indication of: (a) the objectives to be achieved; (b) the categories

of individuals to be served; (c) the services to be provided and their relationship to the statutory goals (a state is required to provide at least one service directed at each of the goals and at least three types of services to SSI recipients); (d) the geographical areas to be served; (e) the planning, reporting and organizational structure to be used; (f) how services will be coordinated with other welfare-related service programs in the state; (g) estimated expenditures under the program by category, service and geographical area; and (h) the steps taken to assure that the needs of all residents of the state were considered in developing the plan. The states also must conform to Federal reporting requirements.

Seventy-five percent Federal matching is authorized for social services, except for family planning services which receive 90 percent matching. Congress has authorized $2.7 billion for Title XX expenditures in FY 1980. (This level was set by 1980 Social Services Amendments (P.L. 96-272.)

References: Title XX, Social Security Act, as amended, P.L. 93-647, P.L. 94-401, and P.L. 95-600. 42 U.S.C. 1397. C.F.D.A.: 13.642.

2. *Social Services Training.* Title XX also authorizes funds for training workers directly responsible for the provision of social services funded under the Act, including the staff of the designated state agency, volunteers attached to the agency and service delivery personnel from provider agencies (e.g., vendor agencies providing specialized services to mentally and physically handicapped persons). Grants also may be made to educational institutions to prepare students for social services employment. FY 1980 (estimated) appropriations: $81 million. (The Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) places a ceiling on Title XX training expenditures in FY 1980 and 1981. Thereafter, states will be required to submit a training plan spelling out anticipated outlays prior to receiving reimbursement.)

References: Title XX, Social Security Act, as amended. P.L. 93-647. U.S. Code: 42 U.S.C. 1397. C.F.D.A.: 13.644.

**C. Legislative History**

In 1956, Congress amended the Social Security Act to authorize the provision of services to Federally-assisted welfare recipients, provided such services were furnished by the staff of the designated state welfare agency. The Federal matching ratio for such services was set at 50 percent. Prior to the enactment of this authority, federal assistance to needy families and adult recipients under the Act was limited to cash benefits.

The Federal matching ratio for social services was increased to 75 percent in 1962. In addition, state welfare agencies were permitted to purchase services from other public agencies, both on behalf of current welfare recipients and persons likely to become recipients. The intent of Congress in extending services to potential welfare recipients was to prevent needy individuals and families from becoming dependent on welfare.

In 1967, Federal financial participation was expanded to include a wide range of mandatory and optional social services available to needy individuals and families. In addition, for the first time, Federal matching was authorized for services purchased by welfare agencies from private vendors of service.

Due to growing Congressional concern over the rapidly escalating costs of social services to needy recipients, in 1972 a rider was added to the General Revenue Sharing Act (P.L. 92-512) which placed a $2.5 billion ceiling on Federal funding for this purpose and required the states to expend at least 90 percent of their outlays on applicants for, or recipients of, Federally-assisted welfare payments. The following types of services were exempted from the 90 percent requirement: (a) child care services related to employment or training of a family member or the death, incapacity or continued absence of the parent/guardian; (b) services to mentally retarded persons; (c) family planning services; (d) services to drug addicts and alcoholics undergoing treatment; and (e) services to children in foster care.

The Social Services Amendments of 1974 (P.L. 93-647) consolidated social service grants to the states under a new Title XX of the Act. P.L. 93-647 established statutory social services goals, revised eligibility criteria, specified program planning requirements and, generally, clarified operating procedures for expending Federal social services funds. The spending ceiling under P.L. 93-647 remained at $2.5 billion.

The Social Services Amendments of 1976 (P.L. 94-401) made the following modifications in Title XX:

- permitted the states to waive individual eligibility determination procedures for certain groups when there was reason to believe that a substantial portion of the group had incomes below 90 percent of the state's median income; and

- temporarily increased authorized Title XX expenditures (the $2.5 billion ceiling) by $200 million annually to support child day

care services, and eliminated the required state matching for outlays from this special allotment.

Subsequent amendments to the Act (P.L. 95-171 and P.L. 95-600) have: (a) continued the special earmarked funds for child day care services; and (b) temporarily (for FY 1979 only) increased the basic expenditure ceiling to $2.7 billion. (In 1980, the Title XX program was significantly revised, under P.L. 96-272. Among the major changes were: (1) permanent funding authorization increases over a six year period, culminating in a FY 1985 ceiling of $3.3 billion; (2) restrictions on the amount of funds available for Title XX train-inc activities; (3) a multi-year planning authority; and (4) a separate funding authority for Puerto Rico and the territories.)

## DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT

### A. Overview

The Developmental Disabilities Assistance and Bill of Rights Act, as amended, authorizes grant support for planning, coordinating and delivering specialized services to persons with developmental disabilities. The term "developmental disability," as used in the Act, means an individual with a severe, chronic mental or physical impairment, which (a) originated at birth or during childhood; (b) is expected to continue indefinitely; and (c) substantially restricts the individual's functioning in several areas of major life activity. In addition to basic grants-in-aid to assist states in supporting such planning, coordinating and service activities, the Act authorizes: (a) a formula grant program to support the establishment and operation of state protection and advocacy systems; (b) a project grant program to demonstrate new approaches to delivering services and training personnel; and (c) a project grant program to support university-affiliated facilities for the developmentally disabled.

The term "developmental disability," as defined in the Act, means:

> a severe, chronic disability of a person which—(A) is attributable to a mental or physical impairment or combination of mental or physical impairments; (B) is manifested before the person attains age twenty-two; (C) is likely to continue indefinitely; (D) results in substantial functional limitations in three or more of the following areas of major life activity: (1) self-care, (2) receptive and expressive language, (3) learning, (4) mobility, (5) self-direction, (6) capacity for independent living, and (7) economic sufficiency; and (E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other

services which are of lifelong or extended duration and are individually planned and coordinated.

**B. Major Programs Affecting the Handicapped**

1. *Basic Grants to States for Planning and Services.* Formula grants to states are authorized under Part C of the Act. To receive its Part C allotment, a state or territory is required to establish a state Developmental Disabilities Planning Council. This council, working in tandem with the designated state administering agency, is responsible for developing and submitting a state plan which specifies existing gaps in services and identifies one or more priority service areas in which the state will focus its attention. By law, the state council must be composed of representatives of the state agencies primarily responsible for serving developmentally disabled persons and providers and consumers of such services.

States may select among the following priority service areas specified in the statute: (1) case management services; (2) child development services; (3) alternative community living arrangement services; and (4) nonvocational social-developmental services. In addition, under certain circumstances, a state may elect another priority service area, provided the area is specified in its state plan. As defined in the law, service activities include: delivery of services, model service programs, activities to increase the capacity of institutions and agencies to deliver services, coordinating with other services, outreach to individuals, and training of providers.

A state must expend a minimum of $100,000 or 65 percent (whichever is greater) of its Part C allotment for activities related to priority service areas. Funds must be spent on only one or two areas in years when the total Federal appropriation for basic state grants is $60 million or less. States may opt to make their second priority area one of their own designation, as long as the first is one of the four identified above. In years when Federal appropriations range from $60 million to $90 million, states may fund a maximum of three areas. Under limited circumstances, HHS may grant a state a special waiver to select an alternative service priority area. FY 1980 appropriations: $43 million.

References: Developmental Disabilities Assistance and Bill of Rights Act, as amended. P.L. 88-164; P.L. 91-517; P.L. 94-103; and P.L. 95-602. U.S. Code: 42 U.S.C. 6061. C.F.D.A.: 13.630.

2. *Grants to Protection and Advocacy Systems.* Section 113 of the Act authorizes formula grants to states for the establishment of a system to protect the rights of persons with developmental disabilities. The basic mission of a state protection and advocacy

system is to pursue legal, administrative and other appropriate remedies to insure that developmentally disabled persons receive appropriate care and treatment. The protection and advocacy agency must be an autonomous unit, independent of any agency responsible for rendering services to developmentally disabled persons, including the state DD council. Each P and A agency is responsible for reporting on its activities to the Secretary of Health and Human Services. FY 1980 appropriations: $7.5 million.

References: Developmental Disabilities Act, as amended. P.L. 88-164, P.L. 91-517, P.L. 94-103, and P.L. 95-602. 42 U.S.C. 6012. C.F.D.A.: 13.630.

3. *Grants to University Affiliated Facilities.* Part B of the Act authorizes grants to support the administration and operation of university affiliated facilities. Grant funds may be used to support: (a) interdisciplinary training for personnel preparing to serve developmentally disabled persons; (b) demonstrations of the provision of exemplary services to developmentally disabled children and adults; and (3) applied research and demonstration of findings related to the provision of services. FY 1980 appropriations: $7 million.

References: Developmental Disabilities Assistance and Bill of Rights Act, as amended. P.L. 88-164, P.L. 91-517, P.L. 94-103, and P.L. 95-602. U.S. Code: 42 U.S.C. 6031 C.F.D.A.: 13.632.

4. *Special Project Grants.* Part D of the Act authorizes grants to state and local public agencies and nonprofit organizations to support projects which "hold promise of expanding or otherwise improving services . . . to persons with developmental disabilities." Such projects may focus on: (1) public awareness; (2) coordination of available community resources; (3) the demonstration of service provision techniques for disadvantaged persons with developmental disabilities; (4) the provision of technical assistance relating to planning, services and facilities; (5) the training of specialized personnel; (6) the development or demonstration of new techniques for service provision; (7) the collection and dissemination of information; and (8) the general improvement of the quality and administration of services, and the retention of personnel serving developmentally disabled persons. FY 1980 appropriations: $4.7 million.

References: Developmental Disabilities Assistance and Bill of Rights Act, as amended. P.L. 94-103, and P.L. 95-602. U.S. Code: 42 U.S.C. 6081. C.F.D.A.: 13.631.

**C. Legislative History**

The Developmental Disabilities Assistance and Bill of Rights Act evolved from the Mental Retardation Facilities Construction Act of

1963 (Title I, P.L. 88-164). The 1963 Act authorized Federal support for the construction of mental retardation research centers, university-affiliated training facilities, and community service facilities for mentally retarded children and adults. The Mental Retardation Amendments of 1967 (P.L. 90-170) extended and expanded the legislation by authorizing Federal funds to assist in the costs of initiating services in community mental retardation facilities.

The Developmental Disabilities Services and Facilities Construction Amendments of 1970 (P.L. 91-517) significantly expanded the scope and purposes of the Mental Retardation Facilities Construction Act of 1963. The 1970 legislation was designed to provide states with broad responsibility for planning and implementing a comprehensive program of services and to offer local communities a strong voice in determining needs, establishing priorities, and developing a system for delivering services.

Aid for the construction of community facilities for the mentally retarded was replaced by a combined formula and project grant program covering both construction of facilities and the provision of services. In addition, the scope of the program was broadened to include not only the mentally retarded but also persons suffering from other serious developmental disabilities originating in childhood.

The term developmental disability was defined in the 1970 Act to mean "a disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition found by the Secretary of Health, Education, and Welfare to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals . . . ." In addition, the disability was required to be substantial in nature and have originated before the individual reached age eighteen and have continued or be expected to continue indefinitely.

Title I allotments to the states were to be calculated on the basis of population, need for services, and the financial need of the state. However, each state was to receive a minimum of $100,000 per year.

The Developmental Disabilities Assistance and Bill of Rights Act of 1975 (P.L. 94-103) authorized a three-year extension of state formula grants to assist in planning and implementing programs on behalf of developmentally disabled children and adults and continued support for university affiliated facilities. In addition, P.L. 94-103 made several significant changes in the original statutory authority

for the Developmental Disabilities program. Among these changes were:

(1) The term "developmental disability" was broadened to include autism and dyslexia; however, only dyslexic children and adults who also suffered from mental retardation, cerebral palsy, epilepsy or autism were to be eligible for services.

(2) A new funding authority was added to assist in renovating and modernizing university affiliated facilities. In addition, a portion of increased UAF grant funds was to be set aside for feasibility studies and operating support for satellite centers in states without UAF programs.

(3) A new special project authority was included in the legislation. The purpose of this program was to assist public agencies and non-profit organizations to demonstrate new and improved techniques for service delivery and information dissemination. Twenty-five percent of appropriated funds had to be set aside for national significance grants.

(4) Numerous changes were made in state plan requirements, including: (a) a reduction in the maximum percentage of a state's allotment which could be obligated for construction purposes (from 50 to 10 percent); (b) a requirement that the state plan incorporate a deinstitutionalization and institutional reform plan; (c) provision for the state planning council to review and comment on all state plans affecting the developmentally disabled, to the maximum extent feasible; and (d) provision for protecting the interests of employees in any deinstitutionalization plans.

(5) A requirement that all DDSA grantees take affirmative action to employ and advance qualified handicapped individuals was added to the Act.

(6) P.L. 94-103 directed the Secretary of HEW to develop a comprehensive performance based system for the evaluation of services provided to developmentally disabled persons within two years after the enactment of the legislation. States, in turn, were required to implement the system within two years after its promulgation by the Secretary.

(7) The composition of the National Advisory Council on Services and Facilities for the Developmentally Disabled was revised to include nine ex-officio members and sixteen members appointed by the Secretary of HEW. In addition, the duties of the Council were expanded to include: (a) advising the Secretary on grants made

under the Act; and (b) submitting an annual report to Congress on the administration of the program.

In addition to changes in the existing Developmental Disabilities program, P.L. 94-103 added a new title (Title II) designed to protect the rights of developmentally disabled individuals. (For details on rights of developmentally disabled persons, see page 91.)

Title III of P.L. 94-103 directed the Secretary to forward to Congress, within six months after enactment of the legislation (and annually thereafter), his recommendations on conditions which should be included in the term "developmental disabilities." The Secretary also was required to commission an independent contractual study of the appropriateness of the current definition, recommendations for revisions in the definition, and the adequacy of services to excluded disabled groups.

In 1978, the Developmental Disabilities Act was further revised by the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments (P.L. 95-602). Changes in the DD program included: (a) a revised definition of the eligible population; (b) a shift of emphasis for planning to priority service areas; (c) a clarification in the role and changes in the composition of state planning councils; (d) a clearer statutory delineation of the mission of university affiliated facilities; (e) increased authorization levels for state protection and advocacy systems, and (f) discontinuation of the National Advisory Council.

Under P.L. 95-602, Congress adopted a new definition of the term "developmental disability" which shifted the emphasis from etiological disability categories to the severity of functional impairments. The new definition eliminated the previous references to specific disability categories (e.g., mental retardation, cerebral palsy, epilepsy and autism) and substituted language which underscored the early severity and chronicity of the functional impairments among the special target population of the program.

P.L. 95-602 required the states to focus an increased share of their Federal-state grant funds on a limited number of priority service areas. The Act also specified that the council and the administering agency were to "jointly" develop the state developmental disabilities plan.

The composition of the state planning council was modified to allow at least one-half, instead of one-third, of its members to be consumer representatives. The remaining half was to be made up of provider and state agency representatives.

P.L. 95-602 clarified the functions of UAFs and satellite centers. The statute also mandated the establishment of UAF standards within six months of enactment of P.L. 95-602. In addition, P.L. 95-602 provided for a minimum allotment of $150,000 to university affiliated facilities and $75,000 to existing satellite centers.

The 1978 Amendments made one substantive change to the provisions governing state protection and advocacy systems—i.e., it established a minimum state allotment of $50,000.

## DOMESTIC VOLUNTEER SERVICE ACT OF 1973

The Domestic Volunteer Services Act of 1973, as amended, authorizes several Federal assistance programs aimed at harnessing the resources of volunteers to help underprivileged people. Among the programs authorized under the Act are the Foster Grandparent Program, and the "Helping Hand" Program. The Foster Grandparent program provides grants to public and nonprofit private agencies and organizations to cover up to 90 percent of the costs of developing and operating projects designed to give low-income, aged persons opportunities to receive modest financial compensation while serving children with exceptional needs in health, education, and welfare settings. Approximately 70 percent of all foster grandparents currently involved in the program are working with mentally retarded youngsters in institutional and community settings.

The Foster Grandparent program originally was authorized under the Economic Opportunity Act of 1964, as part of President Johnson's "War on Poverty." in 1967, however, legislative authority for the program was transferred to the Older Americans Act (P.L. 91-69).

In 1973, Congress consolidated a variety of existing Federal voluntary service programs under a single statutory authority, called the Domestic Volunteer Service Act (P.L. 93-113). The 1973 legislation also: (a) created, by law, the ACTION agency, an independent Federal agency responsible for administering volunteer service programs; and (b) established the Senior Companion Program to permit low-income, elderly volunteers to aid adults with exceptional needs. The Senior Companion Program was intended to provide a parallel authority to the Foster Grandparent Program, focused on dependent adults, especially frail elderly persons.

The Older Americans Amendments of 1975 (P.L. 94-135) extended the authorizations for the Foster Grandparent and Senior Companion Programs, while the 1976 amendments (P.L. 94-293) to the Domestic Volunteer Service Act directed the ACTION agency to allow mentally

retarded individuals who were participating in Foster Grandparent programs to continue receiving services, under certain circumstances, after they reached 21 years of age. P.L. 94-293 gave private nonprofit agencies operating Foster Grandparent programs broad discretion to determine: (a) which children should receive services; and (b) the length of time a child may participate in the program. However, the primary focus of a Foster Grandparent grant program still was to be on services to children under 21 years of age.

The Comprehensive Older Americans Act of 1978 (P.L. 95-478) once again extended the Foster Grandparent program for three years, consolidating its authorizations with the Senior Companion Program. The legislation also raised the stipend that participants could receive from $1.60 to $2.00 per hour (if overall appropriations for the program are high enough to fund at least the current number of slots). The legislation also redefined the term "low income" to mean persons with annual income of 125 percent (rather than 100 percent) of the government's poverty index.

The Domestic Volunteer Service Amendments of 1979 (P.L. 96-143) established a new demonstration program aimed at reducing the need for institutionalization among handicapped and elderly persons. The so-called "Helping Hand" program was designed to utilize person-to-person services, involving both younger and older volunteers, in an effort to increase the ability of elderly and handicapped persons to remain in the community and to reduce their isolation. The program is to be coordinated with the state's Developmental Disabilities Protection and Advocacy System.

References: Domestic Volunteer Service Act of 1973, as amended. P.L. 91-69, P.L. 93-113, P.L. 94-135, P.L. 94-293, P.L. 95-478, and P.L. 96-143. U.S. Code: 42 U.S.C. 5011. C.F.D.A.: 72.001 and 72.008.

### COMMUNITY SERVICES ACT OF 1974 (HEAD START)

The Head Start program, initially designed as part of President Johnson's "War on Poverty," offers comprehensive health, educational, nutritional, social and other services to economically deprived, preschool children. Project grants are made to local public agencies and nonprofit organizations, to operate Head Start classes.

Originally authorized under the Economic Opportunity Act of 1964, the statutory authority for the program was amended in 1972 (P.L. 92-424) to require that not less than ten percent of the total number of children enrolled in Head Start programs nationwide be handicapped youngsters. The Community Services Act of 1974 (P.L. 93-644) reauthorized certain programs originally included in the Economic

Opportunity Act of 1964. P.L. 93-644 also established the Community Services Administration, an independent Federal agency, to replace the Office of Economic Opportunity.

The 1974 Act also revised the requirement for involving handicapped children in Head Start programs, by stipulating that each state assure that ten percent of enrollees were handicapped children. In their reports on the 1974 legislation, both the House Education and Labor Committee and the Senate Labor and Public Welfare Committee expressed deep concern about the manner in which many Head Start agencies were implementing the ten percent mandate. They noted that many youngsters with mild speech impediments and other minor disorders were being classified as handicapped children in contravention of the stated intent of Congress. The Department and Head Start grantees were directed to take the necessary steps to assure that only children with disabilities severe enough to require special education and related services be classified and counted as handicapped children. FY 1980 appropriations: $700 million.

References: Community Services Act of 1974, as amended. P.L. 92-424 and P.L. 93-644. U.S Code: 42 U.S.C. 2921. C.F.D.A.: 13.600.

## CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM

The Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (P.L. 95-266) extends child abuse prevention and treatment programs through fiscal year 1981 and authorizes adoption programs aimed at children, including handicapped children, in institutions and foster care homes for whom adoption may be the best alternative to assure their healthy development. P.L. 95-266 establishes: (a) a national adoption information and exchange system; (b) a national adoption and foster care data gathering and analysis system; (c) technical assistance, education and training materials for adoption and adoption assistance programs; and (d) development of model adoption legislation and procedures.

References: Child Abuse Prevention and Treatment and Adoption Reform Act of 1978. P.L. 95-266. U.S. Code: 42 U.S.C. 5113. C.F.D.A. 13.652.

## TRANSPORTATION

### URBAN MASS TRANSPORTATION ACT

Section 16(b) of the Urban Mass Transportation Act of 1964 was amended in 1970 to require eligible local jurisdictions to plan and design mass transportation facilities and services to be available to and usable by elderly and handicapped persons (P.L. 91-453). A special program of grants and loans also was authorized under the Act to help state and local public agencies provide mass transportation services which are "planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons." Such agencies were permitted to use Federal funds to purchase special buses or vans for transporting persons with severe mobility limitations.

The Federal-Aid Highway Act of 1973 (P.L. 93-87) extended eligibility for Section 16(b) grants and loans to private nonprofit corporations. In addition, the 1973 amendments permitted the Secretary of Transportation to earmark up to two percent of the Urban Mass Transportation Fund for special transportation services benefiting elderly and handicapped individuals.

The Urban Mass Transportation Act contains three additional programs that affect handicapped persons. The Mass Transportation Technology Research and Demonstration Program provides funding to projects addressed to national priorities, including transportation accessibility for elderly and handicapped persons. The design for the "Transbus," a specially designed vehicle for transporting physically handicapped persons, was financed through this authority.

The Urban Mass Transportation Technical Studies program provides grants to assist in planning, engineering and designing mass transit projects, including special planning efforts for transporting elderly and handicapped persons. The Urban Mass Transportation Demonstration Grants program supports demonstration projects using innovative techniques and methods "in an operational environment" that will improve mass transit service, including special services for elderly and handicapped riders.

The Urban Mass Transportation formula grant program was amended by the National Mass Transportation Assistance Act of 1974 (P.L. 93-503) to require project applicants to assure that the fares charged elderly and handicapped persons during nonpeak hours do not exceed one-half the generally applicable rate for other persons during peak hours. In addition, localities were permitted under P.L. 93-503 to transport elderly and handicapped persons free of charge and still be eligible for Federal formula grant aid.

The Surface Transportation Assistance Act of 1978 (P.L. 95-599) continued the authorizations for programs serving handicapped persons and emphasized the need to consider handicapped persons under all transportation assistance authorities. The 1978 Act also created a new grant program for national or local programs that address human resource needs, as they apply to public transportation activities.

References: Urban Mass Transportation Act of 1964, as amended. P.L. 91-453, P.L. 93-87, P.L. 93-503, and P.L. 95-599. U.S. Code: 49 U.S.C. 1601. C.F.D.A.: 20.504, 20.505 and 20.506.

### FEDERAL-AID HIGHWAY ACT

The Federal-Aid Highway Act of 1973 (P.L. 93-87) included authority for the use of funds under the highway improvement program "to provide adequate and reasonable access for the safe and convenient movement of physically handicapped persons . . . across curbs constructed or replaced on or after July 1, 1976, at all pedestrian crosswalks throughout the state." Highway improvement funds also may be used for providing accessible rest stop facilities.

References: Federal-Aid Highway Act of 1973, as amended. P.L. 93-87, P.L. 93-643, P.L. 94-280, and P.L. 95-599. U.S. Code: 23 U.S.C. 402. C.F.D.A.: 20.205.

### RAIL PASSENGER SERVICE ACT

The Amtrak Improvement Act of 1973 (P.L. 93-146) amended the Rail Passenger Service Act to establish the National Rail Road Passenger Corporation. This new Corporation was directed to "take all steps necessary to insure that no elderly or handicapped individual is denied intercity transportation on any passenger train operated by or on behalf of the Corporation." Such steps may include: (1) acquiring special equipment and devices and conducting special training for employees; (2) designing and acquiring new equipment and facilities and eliminating architectural and other barriers in existing equipment and facilities; and (3) providing special assistance to elderly and handicapped persons while boarding and alighting and within terminal areas.

References: Rail Passenger Service Act, as amended. P.L. 93-146. U.S. Code: 45 U.S.C. 502.

## VOCATIONAL REHABILITATION

### REHABILITATION ACT OF 1973

#### A. Overview

The Rehabilitation Act of 1973, as amended, authorizes over a billion dollars in Federal support for training and placing mentally and physically handicapped persons into remunerative employment. To assist in accomplishing this goal, a wide variety of service, demonstration, training and research grant programs are established under the Act, including a major Federal-state grant-in-aid program.

The origins of the Federal-state vocational rehabilitation program can be traced back to 1920 when Congress enacted the first civilian program for assisting disabled persons to regain work skills. Since that time, the Act has been gradually expanded to include services to persons with a wide array of handicapping conditions and, in recent years, to focus increased attention on the needs of severely disabled individuals.

The Act, defines the term "handicapped individual" to mean: "any individual who: (1) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment; and (2) can reasonably be expected to benefit in terms of employability from vocational rehabilitation services provided pursuant to Titles I and III of this Act." (Note that the definition is modified for purposes of the rights protected under Title V and for the scope of interests of the National Council on the Handicapped (see page 127).)

The Act also defines the term "severe handicap" to mean a: "disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, renal failure, respiratory or

pulmonary dysfunction, and any other disability specified . . . in regulations."

**B. Major Programs Affecting the Handicapped**

1. *Basic Federal-State Vocational Rehabilitation Grants.* Title I of the Act authorizes formula grants to designated state vocational rehabilitation agencies to provide basic services related to rehabilitating handicapped persons. Funds may be used for the following purposes:

- diagnosis and evaluation of rehabilitation potential and related services;
- counseling, guidance, referral and placement services, including follow-up and follow-along and other post-employment services;
- vocational and other training services, including personal and vocational adjustment services, books and other training materials, and family adjustment services;
- physical and mental restoration services, including corrective surgery or therapeutic treatment and related hospitalization, prosthetic and orthotic devices, eye glasses, special services, and diagnosis and treatment for mental and emotional disorders;
- income maintenance for subsistence during the rehabilitation period;
- interpreter and reader services, rehabilitation teaching services, orientation and mobility services for the blind; and
- transportation to rehabilitation services, and occupational licenses, tools, equipment, and initial stocks and supplies.

In order to receive funds under the Act, states must submit a plan to the Commissioner of the Rehabilitation Services Administration, which includes the following provisions: (a) designation of a single state vocational rehabilitation agency to administer the grant funds; (b) assurances that each handicapped person will receive rehabilitation services under an individualized written rehabilitation program; (c) agreement to cooperate with other agencies serving handicapped persons; and (d) agreement to conduct studies of the handicapped population in need of service and those having received services.

Funds are allotted to states on a formula based on relative population and per capita income. FY 1980 appropriations: $817 million.

References: Title I, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230, P.L. 95-602, U.S. Code: 29 U.S.C. 701. C.F.D.A. 13.624.

2. *Innovation and Expansion Grants.* Part C of Title I authorizes grants to state vocational rehabilitation agencies to plan, develop, initiate and expand special services to the most severely handicapped persons. Funds may also be used to develop special programs for groups of handicapped individuals, such as poor clients, who have difficult or unusual problems in accessing rehabilitation services. FY 1980 appropriations: $11.7 million.

References: Part C, Title I, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230, and P.L. 95-602. U.S. Code: 29 U.S.C. 740. C.F.D.A.: 13.649.

3. *American Indian Vocational Rehabilitation Services.* Part D of Title I authorizes grants to Indian tribal bodies to cover up to 90 percent of the costs of vocational rehabilitation services furnished to their members. A state must continue to provide services to Indians if it includes any Indians in its population count used to determine the state's basic federal vocational rehabilitation allotment (not funded in FY 1980).

References: Part D, Title I, Rehabilitation Act of 1973, as amended. P.L. 95-602. U.S. Code: 29 U.S.C. 750.

4. *Research.* Title II of the Act establishes the National Institute of Handicapped Research and authorizes project grants for research, demonstration and related activities designed to develop methods, procedures and devices to assist in the provision of vocational rehabilitation services to handicapped individuals, especially those with the most severe handicaps. Such projects may include: (1) studies and analyses of industrial, vocational, social, psychiatric, psychological, economic, and other factors affecting rehabilitation of handicapped individuals; (2) special problems of homebound and institutionalized individuals; (3) studies, analyses and demonstrations of architectural and engineering design adapted to meet the special needs of handicapped individuals; and (4) related activities which hold promise of increasing knowledge and improving methods of rehabilitation of handicapped individuals, including those with the most severe handicaps.

The National Institute of Handicapped Research is responsible for: (1) administering the research projects mentioned above; (2) establishing a network of research centers; (3) disseminating research findings and other related information; (4) disseminating educational materials to elementary and secondary schools, institutions of higher education, and the general public, including information relating to family care and self care; (5) conducting conferences, seminars, workshops, and inservice training programs concerning research and

engineering advances in rehabilitation; and (6) developing statistical reports and studies on the employment, health, income and other demographic characteristics of handicapped individuals.

The director of NIHR is appointed by the President (and confirmed by the Senate) and is directly responsible to the Assistant Secretary for Special Education and Rehabilitative Services in the Department of Education. FY 1980 appropriations: $31.5 million.

References: Title II, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230, and P.L. 95-602. U.S. Code: 29 U.S.C. 760. C.F.D.A.: 13.627.

5. *Construction Grants and Loans for Rehabilitation Facilities.* Part A of Title III authorizes grants and loan guarantees to cover the cost of constructing rehabilitation facilities. Grants may be made to state agencies, public or nonprofit organizations for the construction, staffing and planning of rehabilitation facilities. Staffing costs may cover compensation of professional or technical personnel of the facility from the opening to the fourth year of operation, with a gradually decreasing percentage of federal support over the period. The federal share of construction costs is limited to a percentage established by the Commissioner.

Federal funding is also available to guarantee payment of the principal and interest on loans made to nonprofit, private entities by non-federal lenders and by the Federal Financing Bank for the construction and equipping of rehabilitation facilities (not funded in FY 1980).

References: Title III, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230 and P.L. 95-602. U.S. Code: 29 U.S.C. 771.

6. *Training.* Title III of the Act also authorizes grants to state agencies and other public or nonprofit organizations, including institutions of higher education, to support training projects, traineeships, and related activities designed to assist in increasing the numbers of qualified personnel available to provide vocational, medical, social and psychological components of rehabilitation services to handicapped persons.

Training also may be provided for personnel specially trained in providing employment assistance to handicapped individuals through job development and job placement services, recreation for ill and handicapped individuals, and other areas of training contributing to the rehabilitation of handicapped persons, including persons who are homebound, institutionalized or have limited English-speaking abilities. FY 1980 appropriations: $28.5 million.

References: Title III, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230, and P.L. 95-602. U.S. Code: 29 U.S.C. 763. C.F.D.A.: 13.629.

7. *Special Programs and Supplementary Services.* Title III of the Rehabilitation Act also authorizes a series of special grant programs to assist in the rehabilitation of certain groups of handicapped individuals. FY 1980 appropriations: $26.8 million.

a. *Rehabilitation Centers.* Section 305 authorizes the establishment and operation of Comprehensive Rehabilitation Centers. Grants are made to state vocational rehabilitation agencies to set up centers serving as the focal points in the communities for the development and delivery of services to handicapped individuals, including the provision of information and referral, counseling, job placement, health, educational, social and recreational services.

b. *Spinal Cord Injury Projects.* Section 311 authorizes grants to state and other public and nonprofit organizations for special demonstration projects relating to serving severely handicapped persons, especially persons with spinal cord injuries and deaf and blind individuals, regardless of their rehabilitation potential.

c. *Migratory Workers.* Section 312 provides for grants to state or local agencies to cover the costs of vocational rehabilitation services to migratory workers. Applicants for these grants must assure that activities and assistance will be coordinated with other programs serving migratory workers.

d. *Deaf-Blind Center.* Section 313 authorizes the establishment and operation of the Helen Keller National Center for Deaf-Blind Youth and Adults. The center is responsible for: (1) demonstrating methods of providing intensive specialized services needed to rehabilitate deaf-blind individuals and training professional and allied personnel to deliver such services; (2) conducting research into the problems of rehabilitating deaf-blind individuals; and (3) supporting related activities to expand or improve public understanding of deaf-blind individuals.

e. *Reader and Interpreter Services.* Sections 314 and 315 authorize grants to state agencies and other public or nonprofit organizations for the establishment of reader services for blind and interpreter services for deaf individuals.

f. *Recreation.* Section 316 authorizes grants to state agencies and public and nonprofit organizations for the development of programs to provide handicapped persons with recreational activities to aid in their mobility and socialization.

References: Title III, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230 and P.L. 95-602. U.S. Code: 29 U.S.C. 770. C.F.D.A.: 13.626.

8. *Employment Opportunities.* Title VI of the Act establishes three special programs aimed at enhancing employment opportunities for handicapped persons.

a. *Community Service Employment.* Secion 611 authorizes the Community Service Employment Pilot Program, administered by the U.S. Department of Labor. The main aim of the program is to provide full or part-time community employment to handicapped persons referred by state vocational rehabilitation agencies. The Labor Department is authorized to enter into agreements with public and private nonprofit agencies, including national organizations and state and local governments, to conduct such pilot projects. The Federal government will pay up to 90 percent of the costs of carrying out such projects.

The pilot projects will offer: (1) training and subsistence payments during the training period; (2) payment for any reasonable work-related expenses, transportation and attendant care; and (3) placement services for employees in unsubsidized jobs when federal assistance for the project terminates.

b. *Projects with Industry.* Section 621 authorizes the "Projects with Industry" program. Under this authority, the Federal government may enter into agreements with individual employers and others to establish jointly financed projects (maximum federal share of 80 percent) that deliver training and employment services to physically and mentally handicapped persons in a realistic work setting. Follow-up supportive services are to be provided in conjunction with the project in order to assure handicapped persons continued employment opportunities in jobs for which they have been trained.

c. *Business Opportunities.* Section 622 establishes a program to expand opportunities for handicapped persons to open small businesses. Grants and contracts are authorized to enable such individuals to start up and operate commercial enterprises and to assist in the development or marketing of their services/products.

References: Title VI, Rehabilitation Act of 1973, as amended. P.L. 93-112, P.L. 93-516, P.L. 94-230, and P.L. 95-602. U.S. Code: 29 U.S.C. 795.

9. *Comprehensive Services for Independent Living.* Part A of Title VII authorizes formula grants to state vocational rehabilitation

agencies (or another agency specifically designated by the Governor and approved by the Secretary) for the provision of comprehensive independent living services. Such services must be designed to meet the current and future needs of individuals whose disabilities are so severe that they do not presently have the potential for employment but may benefit from vocational rehabilitation services which will enable them to live and function independently. Priority will be given to disabled persons not currently served by other programs under the Rehabilitation or Developmental Disabilities Acts.

Independent living services may include: (1) counseling, including psychological, psychotherapeutic and related services; (2) housing, including appropriate accommodations and modifications of any space to serve handicapped persons; (3) appropriate job placement services; (4) transportation; (5) attendant care; (6) physical rehabilitation; (7) therapeutic treatment; (8) needed prostheses and other appliances and devices; (9) health maintenance; (10) recreational activities; (11) services to children of preschool age, including physical therapy, development of language and communication skills, and child development services; and (12) appropriate preventive services to decrease the needs of individuals served under this program for future independent living services.

Allotments to the states under the comprehensive independent living services program will be distributed according to relative population, with a minimum of $200,000 per state, or one-third of one percent of the funds appropriated in any given year (whichever is greater). The state vocational rehabilitation agency is designated as the administering agency for the program, with authority to contract with other agencies and organizations for the provision of services. To receive funds under Part A, a state must submit a three-year plan for comprehensive independent living services to RSA. (The Part A program was not funded in FY 1980.) The plan must include:

- a description of the quality, scope and extent of services and the state's goals and plans for distributing funds to independent living services programs;
- assurances that service delivery facilities will be accessible to handicapped persons;
- assurances that special efforts will be made to provide technical assistance to poverty areas;
- stipulations that up to 20 percent of the state's allotment for comprehensive services will be passed along to local public agencies

or private nonprofit organizations (the Commissioner of the Rehabilitation Services Adminstration has the authority to waive this requirement).

References: Part A, Title VII, Rehabilitation Act of 1973, P.L. 95-602. U.S. Code: 29 U.S.C. 796.

10. *Centers for Independent Living.* In states having approved independent living plans, RSA may make grants to vocational rehabilitation agencies to establish and operate centers for independent living. Handicapped individuals must be substantially involved in the policy development and management of such centers, which may provide: intake counseling and evaluation of client needs; referral and counseling for attendant care; advocacy regarding legal and economic rights; skills training, housing and transportation referral and assistance; health programs; community group living arrangements; individual/group social and recreational activities; and attendant care and training of personnel to provide such care. FY 1980 appropriations: $15 million.

References: Part B, Title VII, Rehabilitation Act of 1973, as amended. P.L. 95-602. U.S. Code: 29 U.S.C. 796. C.F.D.A.: 13.653.

11. *Services for Older Blind Individuals.* This special program provides independent living services for persons over age 55 whose visual impairment is severe enough to make gainful employment extremely difficult, but for whom independent living goals are feasible. Services under Part C include: outreach; treatment; provision of eyeglasses and other aids; mobility training; and guide and reader services. Funding for this part may not exceed 10 percent of the amount appropriated for Title VII. (This program was not funded in FY 1980.)

References: Part C, Title VII, Rehabilitation Act of 1973, as amended. P.L. 95-602. U.S. Code: 29 U.S.C. 796.

12. *Protection and Advocacy.* Under the general provisions of Part D, grants to states are authorized to establish systems, independent of service delivery agencies, for the protection and advocacy of the individual rights of handicapped persons. Such systems may pursue legal, administrative and other appropriate remedies in cases where the rights of disabled persons are being violated. (This program was not funded in FY 1980.)

References: Part D, Title VII, Rehabilitation Act of 1973, as amended. P.L. 95-602. U.S. Code: 29 U.S.C. 796.

**C. Legislative History**

The Federal-state vocational rehabilitation program can trace its origins to the National Civilian Vocational Rehabilitation Act of

1920, which established a system of state vocational rehabilitation agencies. Major revisions to the program were adopted in 1954, when the Act became known as the Vocational Rehabilitation Act. The Act was completely rewritten once again in 1973 (P.L. 93-112) to place a stronger focus on rehabilitation services to severely handicapped clients. This emphasis was significantly expanded under the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 (P.L. 95-602), by the addition of grant authority for comprehensive independent living services to severely handicapped persons. The 1978 Amendments also significantly revamped the Act's research authority, including language establishing a National Institute of Handicapped Research.

1. *Basic State Grant Program.* The 1965 Vocational Rehabilitation Amendments (P.L. 89-333) provided for more flexible financing and administration of state vocational rehabilitation programs, including provisions allowing Federal matching of local public funds made available to the states. P.L. 89-333 also permitted Federal funding to be used for extended evaluation periods of up to 18 months in the case of mentally retarded persons and other persons with disabilities designated by the Secretary.

Amendments to the Act in 1967 (P.L. 90-99) required the states to eliminate residency requirements which excluded from vocational rehabilitation services otherwise eligible handicapped persons who were residing in the state. In 1968, P.L. 90-391 made a number of modifications in state plan requirements and increased the Federal share of vocational rehabilitation funding to 80 percent.

The Rehabilitation Act of 1973 (P.L. 93-112) recodified and revised the former Vocational Rehabilitation Act, placing a new emphasis on expanding services to more severely handicapped clients. For the first time, state vocational rehabilitation agencies were directed to give priority to serving "those individuals with the most severe handicaps" in their basic state programs. In addition, state agencies were required to describe "the method to be used to expand and improve services" to this target population. Similar provisions granting priority to the most severely handicapped were included in the statutory authority for other programs under the Act.

The Rehabilitation Act of 1973 also required that the state agency develop an individualized written rehabilitation program on each client it served. This program, which was to be jointly developed by the rehabilitation counselor and the handicapped individual (or, in appropriate cases, his parents or guardian), was to spell out the terms, conditions, rights and remedies under which services were to be provided to the individual and establish the long range and

intermediate goals to be attained. The Act required that each individual's program be reviewed at least annually and safeguards be included to assure that every individual capable of achieving a vocational goal had an opportunity to do so.

P.L. 93-112, for the first time, also established, by statute, a Rehabilitation Services Administration within the Department of Health, Education, and Welfare and delegated to the RSA Commissioner responsibility for administering all aspects of the rehabilitation program authorized under the Act. (The Rehabilitation Services Administration was later transferred to the Department of Education under the terms of the Department of Education Organization Act (P.L. 96-88); see page 23.)

The 1974 amendments to the Act (P.L. 93-516) clarified a number of the provisions of the Rehabilitation Act of 1973. One modification was the addition of a broader definition of "handicapped individual," applicable to Title IV and Title V of the Act (see discussion on page 115). P.L. 93-516 also revised the requirement for developing an individualized written rehabilitation plan on each client. Emphasis was placed on reporting and analyzing the reasons for determinations of ineligibility for services and re-evaluating individuals refused services to ascertain whether they have any potential for achieving vocational goals. Clients must be given an opportunity to participate in any determination of service ineligibility and be advised of their rights and the remedies available to them.

The Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 (P.L. 95-602) revised the formula for determining state allotments under the basic Federal-state vocational rehabilitation grant-in-aid program and linked future funding increases for the program to the national Consumer Price Index. The 1978 amendments also provided for the establishment of a number of programs and the expansion of existing rehabilitation-related services to handicapped and severely handicapped persons under the Rehabilitation Act of 1973.

For fiscal years 1979 through 1982, authorization levels for the basic vocational rehabilitation program were tied to increases in the Consumer Price Index. Adjustments will be made, using the base funding level of $808 million in FY 1979. Such levels were intended

to be a minimum threshold; the maximum authorization levels were specified in the new law, as follows:

Basic State VR Grants
(in millions of dollars)

| FY 1979 | FY 1980 | FY 1981 | FY 1982 |
|---|---|---|---|
| $808 | $880 | $945 | $972 |

2. *Innovation and Expansion Grants.* Innovation and expansion grants were authorized under Section 3 of the Vocational Rehabilitation Act of 1954. These grants were to be used to expand and improve rehabilitation services, particularly services to severely disabled and other hard-to-rehabilitate clients. In 1965, amendments to the Act (P.L. 89-333) increased the Federal share for innovation and expansion grants to 90 percent in the first three years of funding and 75 percent of cost during the next two years. The Rehabilitation Act of 1973 (P.L. 93-112) recodified the authority for such grants.

3. *Research.* Research programs under the early versions of the Act were significantly expanded by the 1978 amendments to the Rehabilitation Act (P.L. 95-602). The 1978 amendments established a National Institute of Handicapped Research, with broad responsibilities for an expanded research program. Among the key features of the statutory provisions authorizing the new Institute are the following:

- The Institute was created as a separate administrative entity within the Department, independent of the Rehabilitation Services Administration, with a director appointed by the President;

- A network of research and training centers, developed in conjunction with institutions of higher education, was authorized to train rehabilitation professionals and researchers and to coordinate and conduct advanced research. The twenty existing federally-funded Rehabilitation Research and Training Centers formed the basis of this network;

- A Federal Interagency Committee was established to identify and coordinate all federal rehabilitation research activities; and

- A long range plan for rehabilitation research was to be developed to identify research needs, funding priorities, and the goals of the Institute.

Rehabilitation Research and Training Centers were mandated, among their other lines of inquiry, to conduct research and model programs demonstrating innovative methods of providing services to pre-school-aged handicapped children. Such service-related

research was to include: (a) early intervention, parent counseling, infant stimulation, and early identification; (b) diagnosis and evaluation of severely handicapped children; (c) physical therapy, language development, and pediatric, nursing and psychiatric services; and (d) appropriate services for parents.

4. *Rehabilitation Facilities.* Authorization for construction of rehabilitation facilities was included in 1964 amendments to the Hill-Burton medical facilities construction program (P.L. 88-443), under Title VI of Public Health Service Act.[1] The 1965 amendments to the Vocational Rehabilitation Act (P.L. 89-333) authorized a five-year program of Federal assistance to plan, build, equip, and initially staff rehabilitation facilities and workshops.

The 1967 amendments to the Act (P.L. 90-391) permitted funds under the basic vocational rehabilitation program to be utilized for new construction as well as expansion and/or alteration in existing buildings. A state was permitted to use no more than ten percent of its basic allotment for such construction activities. In addition, states were required to provide assurances that other vocational rehabilitation services would not be diminished by the use of funds for construction.

The Rehabilitation Act of 1973 (P.L. 93-112) established a program of mortgage insurance for rehabilitation facilities. P.L. 93-112 authorized mortgage insurance to guarantee up to 100 percent of a loan for the construction of public or nonprofit rehabilitation facilities. Initial capital was authorized for the insurance fund and a $200 million restriction was placed on the total amount of outstanding mortgages.

5. *Special Projects.* Authority for special projects and supplementary services has been extended and expanded through various amendments to the Vocational Rehabilitation Act. The 1967 amendments (P.L. 90-99) authorized funds for the establishment of a National Center for Deaf-Blind Youth and Adults. This federally-constructed center was intended to provide an intensive program of specialized services to prepare deaf-blind individuals for adult responsibilities, including employment wherever possible. The Center also is responsible for conducting extensive programs of research, professional training, family orientation and education, and for organizing informational services. It was named the "Helen Keller

[1] The Hill-Burton program has since become part of the health resources development program, authorized under Title XVI of the Public Health Service Act, see page 56.

National Center for Deaf-Blind Youth and Adults" under 1976 amendments to the Act (P.L. 94-288).

The 1967 amendments (P.L. 90-99) also authorized special project grants to state vocational rehabilitation agencies to pay for up to 90 percent of the cost of furnishing vocational rehabilitation services to migratory farm workers. These services were to be provided in coordination with other agencies supplying services to migrant workers.

The 1968 amendments to the Act (P.L. 90-391) expanded the authority for special projects to include: (1) rehabilitation services for mentally retarded persons; (2) projects with industry; and (3) training grants for personnel in agencies serving the handicapped persons. The Rehabilitation Act of 1973 (P.L. 93-112) revised the authority for special projects by deleting provisions for grants for programs serving mentally retarded persons, and instead targeting such funds on clients with the most severe handicaps.

Amendments to the Act in 1974 (P.L. 93-516) provided for a White House Conference on Handicapped Individuals. The purpose of this conference was to explore the problems faced by handicapped Americans and develop administrative and legislative recommendations for addressing these problems. The Conference was held in 1977.

6. *National Council on the Handicapped.* The Rehabilitation Act amendments of 1978 (P.L. 95-602) established a 15 member National Council on the Handicapped. Council members were to be appointed by the President to represent consumers, national organizations, service providers and administrators, researchers, and business and labor groups. It must include at least five handicapped persons, their parents or guardians.

The Council's duties included: (a) continuing review and advice on all policies, programs and activities concerning handicapped persons conducted or assisted by any federal agency; and (b) establishing general policy, recommending research activities and overseeing the operation of the National Institute of Handicapped Research.

7. *Comprehensive Independent Living Services.* The 1978 amendments (P.L. 95-602) revised the Rehabilitation Act of 1973 by adding a new Title VII, entitled "Comprehensive Services for Independent Living." The new title provided for: (1) grants to states for comprehensive services (Part A); (2) discretionary grants to support centers for independent living (Part B); and (3) grants for services to older blind persons (Part C). Also included in the new

Title VII was authority to establish protection and advocacy systems for severely disabled persons (Part D).

### WAGNER O'DAY ACT

The Wagner O'Day Act of 1938, as amended, establishes a program under which federal agencies may procure selected commodities and services from qualified workshops serving blind and other severely handicapped individuals. The program's objective is to increase employment opportunities for such handicapped individuals. Procurement is directed by the 15-member Committee for Purchase from the Blind and Other Severely Handicapped. The Committee is responsible for: (1) determining which commodities and services are suitable for procurement from qualified nonprofit agencies; (2) publishing a list of such goods and services; (3) determining the fair market price for items/services on the procurement list and revising prices as market conditions change; and (4) promulgating necessary rules and regulations to implement the Act.

The Wagner O'Day Act of 1938 originally authorized purchase from workshops for the blind. Amendments to the Act in 1971 (P.L. 92-28) extended the authority to workshops for other severely handicapped persons. P.L. 92-28 defined the term "severely handicapped" to mean: "an individual or class of individuals under a physical or mental disability, other than blindness, which . . . constitutes a substantial handicap to employment and is of such a nature as to prevent the individual under such disability from currently engaging in normal competitive employment." The 1971 Act, however, specified that preference would be given to purchases from workshops for the blind through December 31, 1976.

Under the 1971 legislation, the Committee was to be composed of 14 persons—11 representatives of designated Federal agencies and 3 representatives of the general public. The 1974 amendments to the Act added a fifteenth member to the Committee. The Act specified that the additional member was to be a private citizen "conversant with the problems incident to the employment of other severely handicapped individuals."

References: Wagner O'Day Act of 1938, as amended. P.L. 92-28, P.L. 93-76, and P.L. 93-358. U.S. Code: 41 U.S.C. 46.

### RANDOLPH SHEPPARD ACT

The Randolph-Sheppard Act authorizes a program designed to provide gainful employment for blind individuals operating vending facilities

on Federal property. The program was established in 1938 (P.L. 74-732). Authority for blind-operated vending facilities later was expanded under the Vocational Rehabilitation Act of 1954 (P.L. 83-565) and the Randolph-Sheppard Act Amendments of 1974 (P.L. 93-516).

The 1974 amendments: (1) extended the scope of the Act's coverage to federal property operated by any Federal department, agency or instrumentality; (2) established guidelines for the operation of the program by state licensing agencies; (3) required coordination among the agencies responsible for implementing the program; (4) established administrative and judicial procedures to assure fair treatment of blind vendors, state licensing agencies and the federal government; (5) required stronger Federal administration and oversight by the Rehabilitation Services Administration; and (6) permitted income from vending machines in direct competition with blind vendors to accrue to the blind vendor, or to the state licensing agency for the purpose of establishing a fund for sick leave, vacation and retirement benefits for blind vendors.

References: Randolph-Sheppard Act of 1938. P.L. 83-565, and P.L. 93-516. U.S. Code: 20 U.S.C. 107. C.F.D.A.: B-12.

## MISCELLANEOUS

### INTERNAL REVENUE CODE

The Internal Revenue Code provides certain special tax credits and deductions relating to the needs of handicapped persons. The Tax Reform Act of 1976 (P.L. 94-455) provided the first comprehensive overhaul of the U.S. tax code since 1954. At that time the following provisions affecting the handicapped were added to the Act:

1. *Credit for Child Care Expenses.* P.L. 94-455 permitted taxpayers to claim a 20 percent credit for child care expenses on their annual income tax return, rather than treating such expenditures as an itemized deduction. In addition, the Act eliminated the $35,000 annual income ceiling and set a limit on creditable expenses of $2,000 for one dependent and $4,000 for two or more. Under the former law, a taxpayer was allowed to deduct up to $4,800 for child care expenses, but the maximum deduction was reduced by one dollar for every two dollars of annual income in excess of $35,000.

The net effect of this new approach to treating child care expenses, benefits families who are required to pay for day care on behalf of their disabled dependents. As under prior law, child care expenses are generally limited to children under 15 years of age, except when a dependent of the taxpayer is physically or mentally disabled and incapable of self-care.

2. *Removal of Architectural and Transportation Barriers.* Businesses were permitted to deduct up to $25,000 in any tax year for costs incurred in removing architectural and transportation barriers to the elderly and handicapped (including the deaf and blind) in any facility or public transportation vehicle owned or leased for use in a trade or business.

This new provision of the Act was intended to encourage the elimination of architectural barriers by offering businesses an alternative to depreciating renovation costs over the useful life of the property. All barrier removal projects must meet existing government

standards for physical accessibility in order to qualify for the new tax deduction.

3. *Lobbying by Public Charities.* A more precise delineation of the restrictions on lobbying by tax exempt organizations was also contained in the Tax Reform Act of 1976. Under prior law, charitable organizations, exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code, were not permitted to devote any "substantial part" of their activities to "propaganda" or other attempts to influence legislation. This statutory test, however, was so vague that IRS was widely criticized for capricious and inequitable enforcement.

Effective January 1, 1977, P.L. 94-455 permitted charitable organizations to either elect to remain under the "substantial part" test or be covered under a new expenditures test. Under the new provisions, a sliding scale limitation on overall lobbying activity was established—ranging from 20 percent of the annual expenditures of organizations with budgets of under $500,000 to $225,000 plus ten percent of all outlays over $1.5 million for organizations with annual budgets exceeding $1.5 million. Organizations electing this new procedure are required to disclose their annual lobbying expenditures.

In addition, instead of having the withdrawal of tax exempt status as the only penalty, the new provisions included authority to impose an excise tax for minor violations. Loss of exemption is reserved for sustained and excessive violations. What constitutes lobbying activities by tax exempt organizations was also spelled out in the Act.

The Tax Reduction and Simplification Act of 1977 (P.L. 95-30) provides certain employers with a tax credit when they hire specific categories of unemployed persons. This tax credit amounts to 50 percent of the increased taxable wages paid by the employer, above calendar year 1977 wages. P.L. 95-30 also allows an additional credit of ten percent of the wages paid to employees who were vocational rehabilitation referrals. Vocational rehabilitation referrals are defined as individuals who: (a) have a physical or mental disability which constitutes or results in a substantial handicap to employment; and (b) have been referred to the employer upon completion, or while receiving, rehabilitative services under an individualized written rehabilitation plan, as part of an approved state vocational rehabilitation program.

P.L. 95-30 places three limitations on the additional ten percent credit: (1) only the handicapped person's first year of employment may be taken into account and it must have occurred after December 31, 1976; (2) only the first $4,200 of the handicapped person's wages may be

taken into account; and (3) credits for handicapped persons may not exceed 20 percent of the total amount of credit the employer earns for hiring other targeted unemployed workers (N.B., employers are allowed a maximum of $100,000 in credits for other targeted new employees).

The Revenue Act of 1978 (P.L. 95-600) amended the job credit for hiring targeted groups by allowing a 25 percent credit for the second year of employment as well as 50 percent for the first year. Only the first $6,000 of wages per year was to be taken into account. The ten percent additional credit for vocational rehabilitation referrals was discontinued.

Persons referred by state vocational rehabilitation agencies were considered to be one of the targeted groups for the tax credits, as are recipients of Supplemental Security Income and general assistance. An employer's tax credits under these provisions may not exceed 30 percent of the wages paid to all employees.

References: Internal Revenue Code, as amended. P.L. 94-455, P.L. 95-30 and P.L. 95-600. U.S. Code: 26 U.S.C. 1, et al.

## ENERGY CONSERVATION AND PRODUCTION ACT

The Energy Conservation and Production Act of 1976 (P.L. 94-385) authorized a program to assist low income persons, particularly elderly and handicapped persons, to weatherize their dwellings. Up to $400 per dwelling was made available to insulate homes. To the maximum extent feasible, volunteers and trainees under Comprehensive Employment and Training Act programs, and other public services employees, were to be used to install the insulation.

A "handicapped individual" was defined in P.L. 94-385 as any person eligible to receive benefits under the Rehabilitation Act of 1973, the Deve'opmental Disabilities Act, and Titles II and XVI of the Social Security Act. Individuals eligible for cash assistance programs and those whose income falls below the poverty level, as determined by the Office of Management and Budget, were to be considered eligible low income persons.

References: Energy Conservation and Production Act. P.L. 94-385. C.F.D.A.: 81.042.

## NATIONAL ENERGY CONSERVATION POLICY ACT

The National Energy Conservation Policy Act (P.L. 95-619) authorized two programs to assist schools, hospitals and public care institutions to plan and install energy-saving measures. Both programs are divided

into two phases: (1) conducting energy "audits" to assess the conditions or needs of an institution's buildings; and (2) technical assistance and financial aid for planning and installing energy conservation systems.

The program for public and nonprofit schools and hospitals authorizes a full range of activities including: initial audits, identification and implementation of energy-saving maintenance and operating procedures, and evaluation, acquisition and installation of energy-saving devices or systems. The program for public care institutions (including residential facilities for mentally retarded and mentally ill persons) is limited to: energy conservation audits; assistance in developing facility maintenance and operating procedures to reduce energy costs; and technical assistance to determine what energy saving systems or devices should be installed. Both programs are voluntary and are approved, funded and monitored by state energy offices.

References: National Energy Conservation Policy Act. P.L. 95-619. C.F.D.A.: 81.052.

### HOME HEATING ASSISTANCE ACT OF 1979

The Home Heating Assistance Act of 1979 (P.L. 96-126) authorized an emergency program of Federal payments to states and individuals to off-set the impact of sharply increasing home heating costs on low-income persons, including recipients of public assistance and Supplemental Security Income benefits. The program was made permanent by the Crude Oil Windfall Profits Tax Act of 1980 (P.L. 96-223). Title III of the Windfall Profit Tax Act authorized the Low Income Energy Assistance Program, providing tax credits and direct payments to low-income individuals for the purpose of assisting them in meeting increased home heating costs. Other energy needs, such as the increased cost of transportation due to rising gasoline costs, were not covered by this legislation.

States were entitled under the Act to receive allocations based on an approved energy assistance plan. This plan must include provisions for disbursing funds to home heating fuel suppliers and directly to low-income persons. In addition, states must operate an outreach program to inform elderly and handicapped persons, and other persons who might be home-bound or unaware of the program, of the availability of energy assistance funds. States are to provide assurances in their plans that priority will be given to eligible low-income households having at least one elderly or handicapped individual.

Recipients of Supplemental Security Income benefits (under Title XVI of the Social Security Act) are generally eligible to participate in the

home heating assistance program, except for those individuals whose Title XVI payments are reduced because they reside: (1) in a medical institution receiving funding under Title XIX of the Act (Medicaid); (2) in a household of another; or (3) with a parent or spouse of a parent (the eligible individual is a child). However, unlike the emergency program under P.L. 96-126, all energy funds under P.L. 96-223 will be allocated to the states, rather than reserving a portion for direct federal payments to recipients of federally-assisted welfare payments (i.e., SSI and AFDC).

P.L. 96-223 specifically prohibited the amount of any fuel assistance payment or allowance to be considered as income in calculating countable income or resources for any tax, public assistance or welfare program.

The Act authorized $3 billion in FY 1981, to be distributed among the states based on a complex formula that takes into account the number of days per year in the geographic area when heating or cooling is required. To assure timeliness, funds may be appropriated in the preceding fiscal year.

References: Home Heating Assistance Act of 1979, as amended. P.L. 96-126 and P.L. 96-223.

## COPYRIGHT ACT

The first comprehensive revision in the Federal copyright law since 1909 was enacted in 1976 (P.L. 94-553).

In addition to extending copyright privileges, allowing increased royalties for songwriters and affording authors and artists greater protection, the 1976 Amendments contained the following provisions affecting blind and deaf individuals:

- Broadcasting performances of nondramatic literary works, directed primarily at blind or deaf audiences, is not considered an infringement of copyright, provided: (a) the transmission is made without any purpose of commercial advantage; (b) the broadcasting facilities are operated by a governmental body, a noncommercial educational station, a radio subcarrier or a cable system;

- Broadcasting a single performance of a dramatic literary work, published at least ten years before the performance date and directed primarily at blind individuals, is not considered an infringement of copyright, provided: (a) the transmission is made without any purpose of commercial advantage; (b) the broadcast is made through the facilities of a radio subcarrier; and (c) no more than one performance of the

same work is completed by the same performers or under the auspices of the same organization.

- Under specified circumstances, up to ten copies or phonorecords of copyrighted materials for broadcast by radio information service carriers may be made by a nonprofit organization for transmittal to blind and deaf persons;

- Braille copies are exempted from the statutory restriction against the importation of nondramatic, English language works not produced in the United States or Canada;

- The Register of Copyrights is required to develop forms and procedures to obtain clearance to reproduce nondramatic literary works in braille or recorded form. This amendment is intended to expedite the production and distribution of books in braille and recorded form by the Division of the Blind and Physically Handicapped in the Library of Congress.

References: Copyright Act of 1976. P.L. 94-553.

## APPENDIX A
## LEGISLATIVE HISTORY OF KEY STATUTES RELATING TO THE HANDICAPPED

| Category/Law | Bill No. | Report No. | | Date of Passage | | Public Law | | Committee | | Federal Administering Agency | Page |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | House | Senate | House | Senate | Date Signed | No. | House | Senate | | |
| *EDUCATION* | | | | | | | | | | | |
| Elementary & Secondary Education Act | | | | | | | | E&L | L&HR | Office of Elementary & Secondary Educ. Dept. of Education | 1 |
| ESEA Amendments of 1965 | H.R. 2362 | 89-143 | 89-146 | 3/26/65 | 4/ 9/65 | 4/11/65 | 89-10 | | | | |
| Federal Assistance to State Operated & Supported Schools for the Handicapped | H.R. 9022 | 89-587 | 89-783 | 8/30/65 | 10/ 1/65 | 11/ 1/65 | 89-313 | | | | |
| Education Amendments of 1972 | S. 659<br>H.R. 7248 | 92-1085 | 92-604 | 11/ 5/71 | 3/ 1/72 | 6/23/72 | 92-318 | | | | |
| General Education Amendments | H.R. 12253 | - | 93-674 | 1/28/74 | 2/ 5/74 | 4/18/74 | 93-269 | | | | |
| Education Amendments of 1976 | S. 2657<br>H.R. 12835 | 94-1085 | 94-882 | 8/31/76 | 8/27/76 | 9/12/76 | 94-482 | | | | |
| Education Amendments of 1978 | S. 1753<br>H.R. 15 | 95-1137 | 95-856 | 7/13/78 | 8/24/78 | 11/ 1/78 | 95-561 | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|
| Education of the Handicapped Act | | | | | | | | E&L | L&HR | Office of Special Education & | 5 |
| Captioned Films for the Deaf Act | S. 2232 | 89-1034 | 89-649 | 10/ 5/65 | 8/31/65 | 10/19/65 | 89-258 | | | Rehabilitative Services, Department of | |
| Elementary & Secondary Education Act Amend. of 1966 | S. 3046<br>H.R. 13161 | 89-1814 | 89-1674 | 10/ 6/66 | 10/ 7/66 | 11/ 3/66 | 89-750 | | | Education | |
| ESEA Amendments of 1967 | H.R. 7819 | 90-188 | 90-726 | 5/25/67 | 12/11/67 | 1/ 2/68 | 90-247 | | | | |
| ESEA Amendments of 1970 | H.R. 514 | 91-114 | 91-634 | 4/23/69 | 2/19/70 | 4/13/70 | 91-230 | | | | |
| Education Amendments of 1974 | S. 1539<br>H.R. 69 | 93-805 | 93-763 | 3/27/73 | 5/20/73 | 8/21/73 | 93-380 | | | | |
| Handicapped Children's Early Education Assistance Act | H.R. 18763 | 90-1793 | 90-1386 | 9/16/68 | 9/17/68 | 9/30/68 | 90-538 | | | | |
| Education of All Handicapped Children Act of 1975 | S.6<br>H.R. 7217 | 94-332 | 94-168 | 7/29/75 | 6/18/75 | 11/29/75 | 94-142 | | | | |
| Authorizing Education Programs for Handicapped Persons through FY 1982 | S. 725<br>H.R. 6692 | 95-268 | 95-124 | 5/ 9/77 | 5/23/77 | 6/17/77 | 95-49 | | | | |
| *EMPLOYMENT* | | | | | | | | | | | |
| Comprehensive Employment & Training Act | | | | | | | | E&L | L&HR | Employment and Training Administration, Department of Labor | 27 |
| Comprehensive Employment & Training Act Auth. | H.R. 2992 | 95-123 | 95-174 | 3/29/77 | 5/25/77 | 6/15/77 | 95-44 | | | | |
| Comprehensive Employment & Training Act Amend. | S. 2570<br>H.R. 12452 | 95-1124 | 95-891 | 9/22/78 | 8/25/78 | 10/27/78 | 95-524 | | | | |

## APPENDIX A
## LEGISLATIVE HISTORY OF KEY STATUTES RELATING TO THE HANDICAPPED—Continued

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| | | House | Senate | House | Senate | Date Signed | No. | House | Senate | | |
| *HEALTH* | | | | | | | | | | | |
| Social Security Act | | | | | | | | IFC, W&M | FIN | Social Security Adm. Department of Health and Human Services | 37 |
| Social Security Act Amendments of 1963 | H.R. 7544 | 88-637 | 88-551 | 8/27/63 | 10/12/63 | 10/24/63 | 88-156 | | | | |
| Social Security Amend. of 1964 | H.R. 10473 | 88-1301 | 88-1517 | 5/27/64 | 8/31/64 | 10/13/64 | 88-641 | | | | |
| Social Security Amend. of 1964 | H.R. 9393 | 88-1279 | 88-1516 | 4/30/64 | 8/31/64 | 10/13/64 | 88-650 | | | | |
| Social Security Amend. of 1965 | H.R. 6675 | 89-213 | 89-404 | 4/ 8/65 | 7/ 9/65 | 7/30/65 | 89-97 | | | | |
| Social Security Amend. of 1967 | H.R. 12080 | 90-544 | 90-744 | 8/17/66 | 11/22/66 | 1/ 2/67 | 90-248 | | | | |
| Social Security Amend. of 1972 | H.R. 1 | 92-231 | 92-1230 | 10/17/72 | 10/ 5/72 | 10/30/72 | 92-603 | | | | |
| Intermediate Care Amend. of 1971 | H.R. 10604 | 92-590 | 92-552 | 11/17/71 | 12/ 4/71 | 12/28/71 | 92-223 | | | | |
| Social Security Benefit Increase | H.R. 15390 | 92-1128 | 92-1215 | 6/27/72 | 6/30/72 | 7/ 1/72 | 92-336 | | | | |
| Maternal & Child Health Amendments | H.R. 9410 | 92-1143 | - | 6/30/72 | 6/30/72 | 7/10/72 | 92-345 | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|
| Social Security Amend. of 1973 | H.R. 11333 | 93-627 | - | 11/15/73 | 12/21/73 | 12/31/73 | 93-233 | | | | |
| Maternal & Child Health Amendments | H.R. 8410 | 93-267 | 93-249 | 6/13/73 | 6/27/73 | 6/ 1/73 | 93-53 | | | | |
| Social Security Amend. of 1977 | H.R. 1404 | 95-80 | 95-298 | 3/21/ | 6/28/ | 6/30/ | 95-59 | | | | |
| To provide for reimbursement for rural health clinic services under the Medicare & Medicaid programs | H.R. 8422 | 95-548 | - | 10/17/ | 10/19/ | 12/13/ | 95-210 | | | | |
| Social Security Financing Amend. of 1977 | H.R. 9346 | 95-702 | - | 10/27/77 | 11/ 4/77 | 12/20/77 | 95-216 | | | | |
| Medicare End State Renal Disease Program Amend. | H.R. 8423 | 95-549 | 95-714 | 9/12/77 | 4/10/77 | 6/13/77 | 95-292 | | | | |
| Community Mental Health Centers Act | | | | | | | | IFC | LHR | National Institute of Mental Health, Dept. of Health & Human Services | 46 |
| Mental Retardation Facilities & Community Mental Health Centers Construction Act of '63 | S. 1576 | 88-694 | 88-694 | 9/10/63 | 5/27/63 | 10/31/63 | 88-164 | | | | |
| Mental Retardation Facilities & Community Mental Health Centers Construction Act of '65 | H.R. 2985 | 89-278 | 89-366 | 5/ 4/65 | 6/28/65 | 8/ 4/65 | 89-105 | | | | |
| Mental Health Amend. of 1967 | H.R. 6431 | 90-212 | 90-294 | 5/17/67 | 6/ 8/67 | 6/24/67 | 90-31 | | | | |

## APPENDIX A
## LEGISLATIVE HISTORY OF KEY STATUTES RELATING TO THE HANDICAPPED—Continued

| Category/Law | Bill No. | Report No. | | Date of Passage | | Public Law | | Committee | | Federal Administering Agency | Page |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | House | Senate | House | Senate | Date Signed | No. | House | Senate | | |
| To provide grants for construction of community mental health ctrs. | S. 2503<br>H.R. 14086 | 91-735 | 91-583 | 12/16/69 | 12/11/69 | 3/13/70 | 91-211 | | | | |
| Special Health Revenue Sharing Act | S. 66<br>H.R. 4925 | 94-192 | 94-29 | 6/ 5/75 | 4/10/75 | 7/29/75 | 94-63 | | | | |
| Community Mental Health Centers & Biomedical Research Amendments | S. 2450 | - | 95-838 | 10/15/78 | 6/26/78 | 11/ 8/78 | 95-622 | | | | |
| Public Health Service Act Hospital & Medical Facilities Amendments of 1964 | H.R. 10041 | 88-1340 | 88-1274 | 5/25/64 | 8/ 1/64 | 8/18/64 | 88-443 | IFC | LHR | Public Health Service, Dept. of Health & Human Services | 49 |
| Community Health Service Extension Amendments of 1965 | S. 510<br>H.R. 2986 | 89-249 | 89-117 | 5/ 3/65 | 3/11/65 | 8/ 5/65 | 89-109 | | | | |
| Heart Disease, Cancer & Stroke Amend. of 1965 | S. 596<br>H.R. 2986 | 89-963 | 89-368 | 9/24/65 | 6/28/65 | 10/ 6/65 | 89-239 | | | | |

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|---|---|---|---|---|---|---|---|
| Comprehensive Health Planning & Public Health Services Amend. of 1966, "Partnership for Health" | S. 3008<br>H.R. 18231 | 89-2271 | 89-1665 | 10/17/66 | 10/ 3/66 | 11/ 3/66 | 89-749 |
| Partnership for Health Amendments of 1967 | H.R. 6418 | 90-538 | 90-724 | 9/20/67 | 11/ 6/67 | 12/ 5/67 | 90-174 |
| Establishment of National Eye Institute | H.R. 12843 | 90-1644 | - | 8/ 1/68 | 8/ 2/68 | 8/16/68 | 90-489 |
| Health Services & Facilities Amend. of 1968 | H.R. 15758 | 90-1752 | 90-1454 | 7/22/68 | 7/27/68 | 10/15/68 | 90-574 |
| To provide assistance in developing & administering lead-based paint elimination programs | H.R. 19172 | 91-1463 | 91-1432 | 10/ 5/68 | 12/17/68 | 1/13/69 | 91-695 |
| National Advisory Commission on Multiple Sclerosis Act | H.R. 15475 | 92-1185 | 92-1604 | 8/ 1/72 | 9/27/72 | 10/25/72 | 92-563 |
| Health Programs Extension Act of 1973 | S. 1136 | 93-227 | 93-87 | 5/31/73 | 3/27/73 | 6/18/73 | 93-45 |
| Lead Based Paint Poisoning Prevention Amend. | S. 607 | 93-373 | 93-130 | 9/ 5/73 | 5/ 9/73 | 11/ 9/73 | 93-151 |
| National Research Act | H.R. 7724 | 93-224 | 93-381 | 5/31/73 | 9/11/73 | 7/12/73 | 93-348 |
| National Health Planning & Resources Development Act of 1974 | S. 2994<br>H.R. 16204 | 93-1382 | 93-1285 | 12/13/74 | 11/25/74 | 1/ 4/75 | 93-641 |
| National Arthritis Act of 1974 | S. 2854 | - | 93-1251 | 12/18/73 | 10/11/74 | 1/ 4/75 | 93-640 |

## APPENDIX A
## LEGISLATIVE HISTORY OF KEY STATUTES RELATING TO THE HANDICAPPED—Continued

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| | | House | Senate | House | Senate | Date Signed | No. | House | Senate | | |
| Special Health Revenue Sharing Act | S. 66<br>H.R. 4925 | 94-192 | 94-29 | 6/ 5/75 | 4/10/75 | 7/29/75 | 94-63 | | | | |
| Health Research & Health Services Amend. of '76 | S. 988<br>H.R. 7988 | 94-498 | 94-509 | 10/20/75 | 12/11/75 | 4/22/76 | 94-278 | | | | |
| National Health Promotion & Disease Prevention Act of 1976 | S. 1466<br>H.R. 12678 | 94-1007 | 94-330 | 4/ 7/75 | 7/30/75 | 6/23/76 | 94-317 | | | | |
| Biomedical Research & Related Programs, FY 78 | H.R. 4975 | 95-117 | 95-102 | 3/31/78 | 5/ 4/78 | 8/ 1/78 | 95-83 | | | | |
| Health Services Research Statistics & Technology Act of 1978 | S. 2466<br>H.R. 12584 | 95-1190 | 95-839 | 9/25/78 | 8/ 9/78 | 11/ 9/78 | 95-623 | | | | |
| Health Services & Centers Amendments of 1978 | S. 2474<br>H.R. 12370 | 95-1191 | 95-860 | 10/13/ | 9/29/ | 11/10/ | 95-626 | | | | |
| *HOUSING* | | | | | | | | BFUA | BHUA | Department of Housing and Urban Development | 61 |
| Housing & Urban Development Act of 1970 | H.R. 19436 | 91-1556 | 91-1216 | 12/ 3/70 | 12/ 8/70 | 12/31/70 | 91-609 | | | | |
| Housing and Community Development Act of '74 | S. 3066<br>H.R. 15361 | 93-1114 | 93-693 | 6/20/74 | 3/11/74 | 8/22/74 | 93-383 | | | | |

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| Housing Authorization Act of 1976 | S. 3295<br>H.R. 12945 | 94-1091 | 94-749 | 5/26/76 | 4/27/76 | 8/ 3/76 | 94-375 | | | | |
| Housing Authorizations | H.R. 6655 | 95-236 | 95-175 | 5/11/77 | 6/ 7/77 | 10/12/77 | 95-128 | | | | |
| Housing & Community Development Amend. '78 | S. 3084<br>H.R. 12433 | 95-1161 | 95-871 | 7/24/78 | 7/20/78 | 10/31/78 | 95-557 | | | | |
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| Social Security Amend. of 1972 | H.R. 1 | 92-231 | 92-1230 | 10/17/72 | 10/ 5/72 | 10/30/72 | 92-603 | | | | |
| Social Security Amend. of 1973 | H.R. 11333 | 93-627 | - | 11/15/73 | 12/21/73 | 12/31/73 | 93-233 | | | | |
| Supplemental Security Income Benefits | H.R. 13025 | 93-871 | 93-735 | 3/ 5/74 | 3/13/74 | 3/28/74 | 93-256 | | | | |
| Extend Food Stamp Eligibility to SSI Recipients | H.R. 15124 | 93-1081 | - | 6/18/74 | 6/20/74 | 7/ 8/74 | 93-335 | | | | |
| Supplementary Security Income Amendments | H.R. 14484 | 94-1296 | - | 6/28/76 | 6/30/76 | 7/14/76 | 94-365 | | | | |
| Supplementary Security Income Amendments | H.R. 10210 | 94-755 | 94-1265 | 7/20/76 | 9/29/76 | 10/20/76 | 94-566 | | | | |
| Supplementary Security Income Amendments | H.R. 13500 | 94-1210 | 94-1345 | 6/ 8/76 | 10/ 1/76 | 10/21/76 | 94-585 | | | | |
| *NUTRITION* | | | | | | | | AGR | AGR | Food & Nutrition Service, Department of Agriculture | 81 |
| Extend Food Stamp Eligibility to SSI Recipients | H.R. 15124 | 93-1081 | - | 6/18/74 | 6/20/74 | 7/ 8/74 | 93-335 | | | | |
| National School Lunch & Child Nutrition Act of 1974 | S.3459<br>H.R. 14354 | 93-1022 | 93-830 | 5/ 7/74 | 5/21/74 | 6/30/74 | 93-326 | | | | |

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| National School Lunch Act & Child Nutrition Act of 1966 Amend. of 1975 | H.R. 4222 | 94-68 | 94-259 | 4/28/75 | 7/10/75 | 10/ 7/75 | 94-105 | | | | |
| National School Lunch & Child Nutrition Act Amendments | S. 1420 H.R. 1139 | 95-281 | 95-277 | 5/18/77 | 6/30/77 | 11/10/77 | 95-166 | | | | |
| Special Supplemental & Child Care Food Programs Extension | S. 3085 H.R. 12411 | 95-1153 | 95-1020 95-884 | 10/15/78 | 7/21/78 | 11/10/78 | 95-627 | | | | |
| *RIGHTS* | | | | | | | | | | | |
| Elimination of Architectural Barriers to Physically Handicapped | S. 222 H.R. 6589 | 90-1523 | 90-538 | 6/17/68 | 8/25/67 | 8/12/68 | 90-480 | | | | 89 |
| To insure that certain federally constructed facilities be constructed so as to be accessible to the physically handicapped | H.R. 14464 | 91-750 | 91-658 | 12/15/69 | 2/10/70 | 3/ 5/70 | 91-205 | | | | |

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| Rights of the Blind & Other Physicallly Handicapped in D.C. | H.R. 11032 | 92-1005 | 92-1238 | 4/24/72 | 9/30/72 | 10/21/72 | 92-515 | | | | |
| Rehabilitation Amendments of 1973 | H.R. 8070 | 93-244 | 93-318 | 6/ 5/73 | 7/18/73 | 9/26/73 | 93-112 | | | | |
| Rehabilitation Act Amend. of 1974 | S. 4194<br>H.R. 17503 | - | 93-1297 | 11/26/74 | 11/26/74 | 12/ 7/74 | 93-516 | | | | |
| Developmentally Disabled Assistance & Bill of Rights Act | S. 462<br>H.R. 4005 | 94-58 | 94-160 | 4/10/75 | 6/ 2/75 | 10/ 4/75 | 94-103 | | | | |
| Education for All Handicapped Children Act of 1975 | S. 6<br>H.R. 7217 | 94-332 | 94-168 | 7/29/75 | 6/18/75 | 11/29/75 | 94-142 | | | | |
| Public Building Cooperative Use Act of 1976 | S. 865<br>H.R. 15134 | 94-1584 | 94-349 | 9/29/75 | 8/ 1/75 | 10/18/76 | 94-541 | | | | |
| Legal Services Corporation Act Amend. of 1977 | S. 1303<br>H.R. 6666 | 95-310 | 95-172 | 6/27/77 | 10/12/77 | 12/28/77 | 95-222 | | | | |
| To extend for three years the Commission on Civil Rights | S. 3067<br>H.R. 12432 | 95-1140 | - | 9/ 6/78 | 6/27/78 | 10/10/78 | 95-444 | | | | |
| Civil Service Reform Act of 1978 | S. 2640<br>H.R. 11280 | 95-1403 | 95-969 | 9/13/78 | 8/24/78 | 10/13/78 | 95-454 | | | | |
| Rehabilitation, Comprehensive Services & DD Amendments | H.R. 12467 | 95-1149 | - | 5/16/78 | 9/21/78 | 11/ 6/78 | 95-602 | | | | |

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| *SOCIAL SERVICES* | | | | | | | | | | | |
| Developmental Disabilities | | | | | | | | IFC | LHR | Administration on Developmental Disabilities, Department of Health & Human Services | 101 |
| Mental Retardation Facilities & Community Mental Health Centers Construction Act of 1963 | S. 1576 | 88-694 | 88-694 | 9/10/63 | 5/27/63 | 10/31/63 | 88-164 | | | | |
| Mental Retardation Facilities & Community Mental Health Centers Construction Act of 1965 | H.R. 2985 | 89-278 | 89-366 | 5/ 4/65 | 6/28/65 | 8/ 4/65 | 89-105 | | | | |
| Mental Retardation Amend. of 1967 | H.R. 6430 | 90-562 | 90-725 | 9/21/67 | 11/ 6/67 | 12/ 4/67 | 90-170 | | | | |
| Authorizing funds for increased facilities for mental retardation programs | S. 2846<br>H.R. 14237 | 91-1277 | 91-757 | 7/30/69 | 4/13/69 | 10/30/69 | 91-517 | | | | |
| Developmentally Disabled Assistance & Bill of Rights Act | S. 462<br>H.R. 4005 | 94-58 | 94-160 | 4/10/75 | 6/ 2/75 | 10/ 4/75 | 94-103 | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|
| Rehabilitation, Comprehensive Services & DD Amendments | H.R. 12467 | 95-1149 | - | 5/16/78 | 9/21/78 | 11/ 6/78 | 95-602 | | | | |
| Child Welfare Services | | | | | | | | W&M | FIN | Office of Human Development Services, Department of Health and Services | 164 |
| Social Security Amendments of 1967 | H.R. 12080 | 90-544 | 90-744 | 7/17/67 | 11/22/67 | 1/ 2/67 | 90-248 | | | | |
| Social Security Amendments of 1972 | H.R. 1 | 92-231 | 92-1230 | 10/17/72 | 10/ 5/72 | 10/30/72 | 92-603 | | | | |
| Social Services (Title XX) | | | | | | | | W&M | FIN | Office of Human Development Services, Department of Health and Human Services | 167 |
| Social Services Amendments of 1974 | H.R. 17045 | 93-1490 | 93-1356 | 12/ 9/74 | 12/17/74 | 1/ 4/75 | 93-647 | | | | |
| Social Services Amendments | H.R. 12455 | 94-903 | 94-857 | 3/16/76 | 3/20/76 | 9/ 7/76 | 94-401 | | | | |
| Child Care and Employment of Welfare Recipients Extension | H.R. 3387 (H.R. 2850) | 95-439 | 95-456 | 6/18/78 | 10/17/78 | 11/12/78 | 95-171 | | | | |
| Revenue Act of 1978 | H.R. 13511 | 95-1445 | 95-1263 | 8/10/78 | 10/10/78 | 11/ 6/78 | 95-600 | | | | |
| Domestic Volunteer Service Act | | | | | | | | E&L | LHR | ACTION | 107 |
| Older Americans Act Amendments of 1969 | H.R. 11235 | 91-285 | 91-340 | 6/16/69 | 8/13/69 | 9/17/69 | 91-69 | | | | |
| Domestic Volunteer Services Act of 1973 | S. 1148 | 93-406 | 93-311 | 9/17/73 | 7/18/73 | 10/ 1/73 | 93-113 | | | | |
| Older Americans Amendments of 1975 | S. 1425 H.R. 3922 | 94-67 | 94-254 94-255 | 4/ 8/75 | 6/26/75 | 11/28/75 | 94-135 | | | | |

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| Domestic Volunteer Services Amendments of 1976 | H.R. 12216 | - | - | 5/ 4/76 | 5/13/76 | 5/27/76 | 94-293 | | | | |
| Older Americans Act Amendments of 1979 | S. 2850<br>H.R. 12255 | 95-110 | 95-855 | 5/15/78 | 7/24/78 | 10/18/78 | 95-478 | | | | |
| Community Services Act | | | | | | | | E&L | L&HR | Office of Human Development Services, Department of Health and Human Services | 108 |
| Economic Opportunity Amendments of 1972 | S. 3010<br>H.R. 12350 | 92-815 | 92-987 | 2/17/72 | 6/29/72 | 9/19/72 | 92-424 | | | | |
| Community Services Act of 1974 | H.R. 14449 | 93-1043 | 93-1291 | 5/29/74 | 12/13/74 | 1/ 4/75 | 93-644 | | | | |
| *TRANSPORTATION* | | | | | | | | | | | |
| Urban Mass Transportation Act of 1964 | | | | | | | | PWT | CST | Urban Mass Transportation Administration, Department of Labor | 111 |
| To provide long-term financing for expanded urban mass transportation programs | S. 3154<br>H.R. 18185 | 91-1264 | 91-633 | 9/29/69 | 2/ 3/69 | 10/15/69 | 91-453 | | | | |
| Federal Aid Highway Act of 1973 | S. 502 | 93-118 | 93-61 | 4/19/73 | 3/15/73 | 8/13/73 | 93-87 | | | | |

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| National Mass Transportation Assistance Act of 1974 | S. 386<br>H.R. 6452 | - | 93-361 | 10/ 3/73 | 9/10/73 | 11/26/73 | 93-503 | | | | |
| Surface Transportation Assistance Act of 1978 | H.R. 11733 | 95-1485 | - | 9/28/78 | 10/ 3/78 | 11/ 6/78 | 95-599 | | | | |
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| Vocational Rehabilitation Amendments of 1967 | H.R. 12257 | 90-563 | 90-565 | 8/21/67 | 9/20/67 | 10/ 3/67 | 90-99 | | | | |
| Vocational Rehabilitation Amendments of 1968 | S. 3213<br>H.R. 16189 | 90-1346 | 90-1309 | 5/16/68 | 6/24/68 | 7/77/67 | 90-391 | | | | |
| To extend for 1 year the authorization for various programs under the Vocational Rehabilitation Act | H.R. 19401 | 91-1660 | 91-1433 | 12/ 7/70 | 12/17/70 | 13/31/70 | 91-610 | | | | |
| Rehabilitation Amendments of 1973 | H.R. 8070 | 93-244 | 93-318 | 6/ 5/73 | 7/18/73 | 9/26/73 | 93-112 | | | | |
| Rehabilitation Act Amendments of 1974 | S. 4194<br>H.R. 17503 | - | 93-1927 | 11/26/74 | 11/26/74 | 12/ 7/74 | 93-516 | | | | |
| Rehabilitation Amendments of 1976 | H.R. 11045 | 94-721 | - | 12/15/75 | 12/19/75 | 3/15/76 | 94-230 | | | | |
| Rehabilitation, Comprehensive Services and DD Amendments | H.R. 12467 | 95-1149 | - | 5/16/78 | 9/21/78 | 11/ 6/78 | 95-602 | | | | |

## TABLE OF COMMITTEE ABBREVIATIONS

| House | | Senate | |
|---|---|---|---|
| E&L | Education and Labor | LHR | Labor and Human Resources |
| IFC | Interstate and Foreign Commerce | FIN | Finance |
| WM | Ways and Means | BHUA | Banking, Housing and Urban Affairs |
| BFUA | Banking, Finance and Urban Affairs | AGR | Agriculture |
| AGR | Agriculture | CST | Commerce, Science and Transportation |
| PWT | Public Works and Transportation | | |

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| Improvement in Local Educational Practices | 13.571 | 2 |
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